

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

Prepared by:

Derrick L. Brown
Chief Financial Officer

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

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INTRODUCTORY SECTION

City of Albany
Post Office Box 447
Albany, Georgia
31702-0447

February 2, 2024

To the Honorable Mayor and Members
of the City Commission
City of Albany, Georgia

I am pleased to submit the Annual Comprehensive Financial Report ("ACFR") for the City of Albany, Georgia (the "City") for the fiscal year ended June 30, 2023. The Finance Department is responsible for preparing this report. Management is responsible for the content of the report, accuracy of the presented data, and completeness and fairness of the presentation, including all disclosures. We believe the data, as presented, is accurate in all material respects. This belief is based on a comprehensive system of internal controls for this purpose. The objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Therefore, it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds, and all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs.

Mauldin & Jenkins, LLC, Certified Public Accountants, have issued an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2023. The independent auditor's report is located at the beginning of the financial section of this report.

The Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A will complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF GOVERNMENT

Situated in the Plantation Trace region, Albany is the primary trade center for Southwest Georgia. It is the county seat for Dougherty County, Georgia. Incorporated in 1853, the City lies at the head of the Flint River, 182 miles south of Atlanta and 95 miles north of Tallahassee, Florida. The City was laid out in 1836 by Alexander Shotwell and named for Albany, New York. As of the 2022 Census projections, the population of Albany was estimated at 67,192.¹

The City has developed a diversified industrial economy, which includes companies such as Proctor & Gamble, MolsonCoors, Tara Foods, and Mars Chocolate North America. Also, the Marine Corps Logistics Base ("MCLB") has established itself as a leader in the adoption of private sector business strategies to accomplish its mission. The chief farm products are cotton, peanuts, corn, and tobacco, and to a lesser extent, paper-shell pecans, and forest products.

The City was originally incorporated by an Act of the General Assembly of Georgia on December 27, 1838, and has operated under the Commission-Manager form of government since January 14, 1924. The seven-member commission consists of a Mayor elected at large and six Commissioners elected on a ward basis. The Commission appoints the City Manager, City Clerk, Assistant City Clerk, City Attorney, Assistant City Attorney, Director of Municipal Court Administration, Municipal Court Judge, City Solicitor, and Public Defender. The City Manager is the Chief Executive Officer charged with the enforcement of the laws and ordinances passed by the Commission. The Commission also appoints members to various Boards, Authorities, and other Commissions.

This report includes all funds and account groups of the primary government (the "City of Albany"), as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. The Chehaw Park Authority is an independent entity whose financial stability relates to the City's financial health and, accordingly, it has been included as part of the City's reporting entity. The Albany Utility Board provides oversight and recommendations for utility services including solid waste, sanitary sewers, stormwater, water, gas, light, and telecommunications. The City also provides a full range of services including police and fire protection, road maintenance, streets, recreational activities, and cultural events. In addition to these general governmental activities, the City has a transit system, cemetery, airport, civic center, municipal auditorium, and golf course.

¹ Source: Census Bureau (www.census.gov)

ECONOMIC CONDITION AND OUTLOOK

The City of Albany serves as the distribution, retail and wholesale trade, communication, and medical center for southwest Georgia, a seven-county area. The City of Albany is served by 14 public elementary schools, 7 public secondary schools, 1 career academy, 1 public alternative school, and several private schools.² The City also offers a range of post-secondary education and adult-learning opportunities:

1. Albany State University is a proud member institution of the University System of Georgia, offering a broad array of graduate, baccalaureate, associate, and specialist programs at its main campuses in Albany as well as strategically placed branch sites and online. The university prepares students to be effective contributors to a globally diverse society, where knowledge and technology create opportunities for personal and professional success.²
2. Albany Technical College is a unit of the Technical College System of Georgia, offering technical certificates of credit, diplomas and associate degrees to students who meet program completion criteria. The college is committed to providing higher education and life-long learning opportunities that promote self-sufficiency, economic development, and community growth and sustainability.²
3. Turner Job Corps Center serves Albany as a tuition-free education program that connects eligible young men and women with the skills and educational opportunities they need to establish real career.³

A declining population in recent years and insufficient supply of affordable housing have had a negative impact on the overall tax base. A Combined Sewer Separation ("CSS") project with a mandated completion date of June 2025 will also present its own set of challenges. Federal and state grant funding, along with SPLOST VIII revenues, will be essential as we implement projects to meet the deadline. Retail growth remains strong in the area, along with some industrial construction, such as the \$22 million expansion of Outdoor Network that was completed earlier this year. The City is actively engaged in several projects that are set to redefine the City's landscape, especially as it relates to downtown development. Hotels, residential, and mixed-use developments are included in this impressive investment of \$91 million. The City is also expected to invest some \$39 million in the next few years as it implements numerous recreational improvements. These quality-of-life enhancements will have a positive impact on the City for many years to come.

²Source: Albany Chamber of Commerce (www.albanyga.com)

³Source: Turner Job Corps Center (www.turner.jobcorps.gov)

The City continues to work toward identifying and implementing innovative ways to continue the momentum for restoring the community's economic condition. To inspire economic growth, the City of Albany has an attractive public-private partnership program to promote the growth of new businesses in the area, as evidenced by the \$91 million investment. The City's Long-Term Financial Planning Committee ("LTFPC") and the Albany-Dougherty Economic Development Commission ("EDC") work closely together to implement this program. Revolving Loan Funds and federal grants have also been established to further encourage growth.

FIVE-YEAR STRATEGIC AND FINANCIAL PLAN

The City of Albany is committed to continually improve the efficiency and effectiveness of the organization. Strategic Planning includes developing a vision and mission, identifying the organization's external opportunities and threats, determining internal strengths and weaknesses, establishing both long-term and annual objectives, and choosing strategies to pursue. This phase of strategic management is accomplished through the development of a strategic plan. The City has adopted the following vision and mission statements:

Vision Statement

The City of Albany is a collaborative regional leader delivering exceptional services and enhancing quality of life, while fostering an atmosphere where citizens and businesses can thrive.

Mission Statement

The City of Albany delivers fiscally responsible, highly dependable services to the citizens in the community and the region with integrity and professionalism.

The City Commission also outlined six priorities during its strategic plan update:

- *Safe, Sustainable and Business Friendly*
- *Economic Development and Jobs*
- *Infrastructure and Asset Management*
- *Fiscal Responsibility*
- *Effective and Excellent Service Delivery*
- *Promotion of the City of Albany as a great place to live, work and play*

One of the practices that has continued from the past strategic plan is staff performance measurement. The City Manager, as well as senior management, believes that every employee should know how their employer rates their performance. The City also affirms that every employee should make a positive contribution to the organization. Each staff member's performance is documented and reviewed on an annual basis. The City is completing the final year of its five-year strategic plan.

SPLOST V – The City of Albany and Dougherty County entered into an intergovernmental sales tax agreement, and in November 2004, voters approved the referendum to continue the 1% SPLOST. The amount to be collected from the sales and use tax between April 1, 2005 and March 31, 2011 was estimated to be \$108 million. Sixty-two percent, or \$65.9 million, of those funds was allocated for City administered projects and non-profit organizations. The City of Albany projects funded through SPLOST V included: \$6.7 million Civic Center debt retirement, \$2.5 million Civic Center infrastructure improvements, \$1.7 million airport improvements, \$6.6 million upgrade to the 800 MHz radio and tower, \$6.7 million for road improvements, \$3.4 million Public Safety equipment and training facility, \$5.1 million for the Recreation Master Plan and facility renovations, \$2.5 million traffic improvements and GIS aerial photography, and disparity study for \$350,000. Also included are projects for community organizations and other capital purchases and improvements: \$2 million to the Chehaw Wild Animal Park Authority, \$3.9 million for the Thronateeska Heritage Center improvements, \$4.0 million to the Albany Civil Rights Institute, and \$5.1 million for Riverfront Park. Most projects for this SPLOST series are complete. Therefore, spending should decrease until the end of this SPLOST series.

SPLOST VI – The City of Albany and Dougherty County entered into an intergovernmental sales tax agreement, and in November 2010, voters approved the referendum to continue the 1% SPLOST. The amount to be collected from the sales and use tax between April 1, 2011 and March 31, 2017 was estimated to be \$98 million. Sixty-four percent, or \$62.7 million, of those funds was to be used for City administered projects and non-profit organizations. The City of Albany projects to be funded through SPLOST VI included: \$4.3 million airport improvements, \$8.5 million sewer and stormwater improvements, \$13 million roadway and traffic improvements, \$1 million sidewalk replacements, \$3.2 million alley paving and improvements, \$11.9 million public safety equipment and upgrades, \$4.4 million transit improvements, and \$4.4 million recreational improvements. Also included are projects for community organizations and other capital purchases and improvements: \$2.1 million to the Chehaw Wild Animal Park Authority, \$2.1 million for the Thronateeska Heritage Center improvements, and \$3.3 million for the Senior Citizens Center.

SPLOST VII – The City of Albany and Dougherty County entered into an intergovernmental sales tax agreement, and in November 2016, voters approved the referendum to continue the 1% SPLOST. The amount to be collected from the sales and use tax between April 1, 2017 and March 31, 2023 is estimated to be \$92.5 million. Sixty-four percent, or \$59.2 million, of those funds are to be used for City administered projects and non-profit organizations. The City of Albany projects to be funded through SPLOST VII include: \$10 million street resurfacing, \$4.5 million alley paving, \$2.5 million sidewalks and streetscape, \$5.9 million sewer and stormwater improvements, \$6 million underground cable installation and street light upgrades, \$5.9 million public safety equipment and fire station, \$4.7 million recreational renovations, and \$4.8 million Aviation Terminal Building and Transportation Center. Also included are projects for community organizations and other capital purchases and improvements: \$1 million Chehaw Park Authority, \$650,000 Jefferson Street pool renovations, and \$425,000 for Thronateeska Heritage Center improvements.

SPLOST VIII – The City of Albany and Dougherty County entered into an intergovernmental sales tax agreement, and in November 2022, voters approved the referendum to continue the 1% SPLOST. The amount to be collected from the sales and use tax between April 1, 2023 and March 31, 2029 is estimated to be \$109.8 million. Sixty-four percent, or \$70.2 million, of those funds are to be used for City administered projects and non-profit organizations. The City of Albany projects to be funded through SPLOST VIII include:

\$25.3 million sewer & stormwater, \$13 million recreation, \$8 million downtown revitalization & master plan, \$6 million cultural and quality of life projects, \$6 million public safety projects, \$2 million Flint River Entertainment Complex projects, \$3.2 million IT hardware and software, \$1 million GIS/GPS infrastructure mapping, \$3 million vehicle purchases, \$2.5 million department equipment purchases, and \$250 thousand Albany Tech – Criminal Justice Demonstration Center.

Transportation Special Purpose Local Option Sales Tax ("TSPLOST") – The City of Albany and Dougherty County entered into an intergovernmental sales tax agreement, and in March 2019, voters approved the referendum to add the 1% TSPLOST. The amount to be collected from the sales and use tax between July 1, 2019 and June 30, 2024 is estimated to be \$80 million. Sixty-seven percent, or \$53.6 million, of those funds are to be used for City administered projects and non-profit organizations. The City of Albany projects to be funded through TSPLOST include: \$20.9 million roadway improvements, \$5 million sidewalk installation, \$5 million alley paving, \$4.2 million multi-purpose trails, \$3.5 million airport improvements, \$700 thousand unpaved streets, \$265 thousand railroad crossing improvements, \$5 million intersection improvements, \$2.3 million roadway widening, \$500 thousand traffic calming devices, \$4.7 million traffic signals and pedestrian upgrades, \$550 thousand Traffic Control Center upgrades, and \$1 million downtown sidewalk improvements.

Total revenue generated in fiscal year 2023 for SPLOST programs was \$12.2 million with expenditures totaling \$16.3 million.

Total revenue generated in fiscal year 2023 for TSPLOST programs was \$11.7 million with expenditures totaling \$7.4 million.

A complete list of the projects and further details regarding the programs are available at www.albanyga.gov.

FINANCIAL INFORMATION

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.

BUDGETARY CONTROL

The City maintains budgetary controls, the objectives of which are to ensure compliance with Georgia law and administrative policy embodied in the annual appropriated budget duly approved by the City Commission in June of each year. Activities of the General Fund, Special Revenue Funds, and Proprietary Funds are included in the annual appropriated budget. Long-range capital projects

funded by SPLOST and TSPLOST are included in the formal operating budget. Encumbrance accounting is used to maintain adequate cost controls, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded.

CASH MANAGEMENT

Cash temporarily idle during the year was invested in interest-bearing demand deposits, certificates of deposits, and U.S. Government securities with the assistance of board-approved, certified investment advisors. All investments are collateralized as required by law. The Pension Fund assets are invested in common stocks, corporate bonds, and U.S. Government securities. The City's investments, exclusive of the Pension Fund investments, are classified in the categories of lower credit risk as defined by the Governmental Accounting Standards Board and as required by the State of Georgia. All the Pension Fund investments are held in the name of the City's agents for the beneficial ownership of the City of Albany's Pension Plan.

OTHER INFORMATION

Henry Gortatowsky willed to the City various properties from his estate in 1996. The funds remaining in the trust will go towards maintenance of these properties. The financial activity related to the Gortatowsky trust is reported as a special revenue fund.

INDEPENDENT AUDIT

The financial statements have been prepared in compliance with governmental financial reporting guidelines issued by the Government Finance Officers Association of the United States and Canada ("GFOA") and generally accepted accounting principles applicable to governmental entities. The City requires an annual audit of all financial records and transactions of the City by an independent certified public accountant selected by the City's Mayor and Board of Commissioners. The accounting firm of Mauldin & Jenkins, LLC 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 GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Albany, Georgia for its annual comprehensive financial reports for 31 consecutive fiscal years from 1991 to 2022. 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 unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report ("ACFR"), whose contents conform to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate award.



In addition, the City received the GFOA Distinguished Budget Award for the 31st consecutive year. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

ACKNOWLEDGMENTS

We wish to acknowledge the accomplishments of the Finance Department staff in the preparation of this report. This document is the culmination of months of hard work and dedication. Additionally, we would like to thank all City departments for their positive attitudes toward budgetary responsibility, as well as other related entities who maintain the daily financial records upon which this report is based. Finally, we would like to thank the Mayor and Board of City Commissioners for their valuable contribution in its guidance of the fiscal affairs and support of the financial operations of the City.

Most of all, we thank the citizens of Albany for their trust, unselfish community involvement, and belief in making Albany a great place to live, work and play. Now, more than ever, we are "investing in the future of our community by investing in our infrastructure!"

Respectfully submitted,


Steven Carter, MBA, CGCIO
City Manager
Derrick L. Brown
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Albany
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF ALBANY, GEORGIA

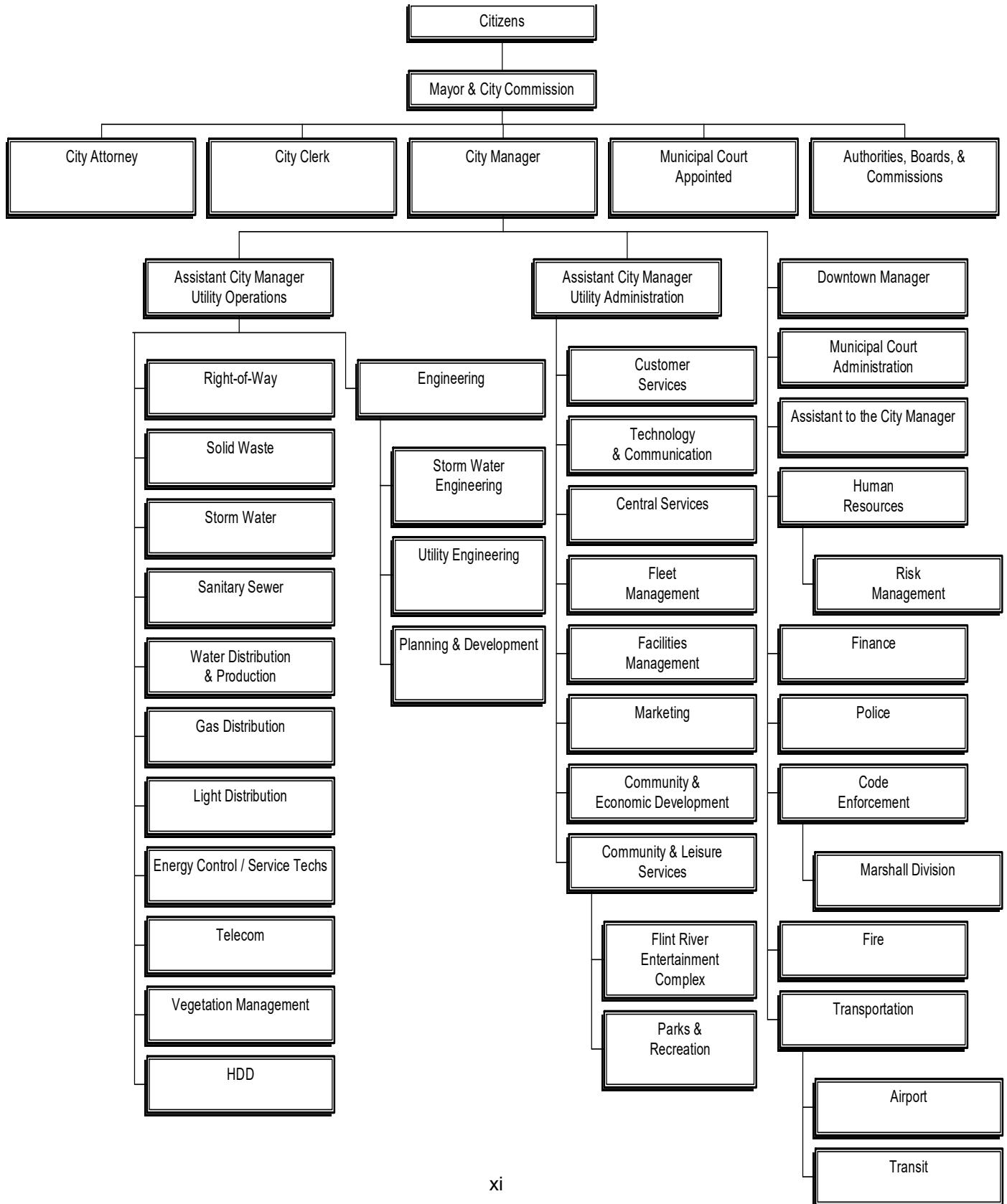
PRINCIPAL OFFICIALS JUNE 30, 2023

ELECTED

Bo Dorough	At Large	Mayor
Jon B. Howard	Ward I	Commissioner
Jalen Johnson	Ward II	Commissioner
Vilnis Gaines	Ward III	Commissioner
Chad E. Warbington	Ward IV	Mayor Pro Tem/Commissioner
Robert B. Langstaff, Jr.	Ward V	Commissioner
Demetrius Young	Ward VI	Commissioner

STAFF

Steven Carter	City Manager
Derrick L. Brown	Chief Financial Officer



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members
of the City Commission
City of Albany, Georgia
Albany, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Albany, 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 of Albany, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, 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 and the respective budgetary comparisons for the General Fund, the Community Development Fund, and the Job Investment Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") (on pages 6 – 28), the Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of Employer Contributions, Schedule of Investment Returns, and the Other Post-Employment Benefit Plan Schedule of Changes in the City's Total OPEB Liability and Related Ratios (on pages 110 – 113) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The 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 ("SPLOST") proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A") §48-8-121, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax ("TSPLOST") proceeds, as required by O.C.G.A §48-8-269.5, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the Schedule of Expenditures of Federal Awards, and the Schedules of Expenditures of SPLOST and TSPLOST 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 report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 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 of Albany, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
February 2, 2024

CITY OF ALBANY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The City of Albany, Georgia's (the "City" or the "primary government") Management's Discussion and Analysis ("MD&A") is designed to: (a) assist the reader in focusing on significant financial issues; (b) provide an overview of the City's financial activity; (c) identify changes in the City's financial position; (d) identify any material deviations from the financial plan (the approved budget); and (e) identify individual fund issues or concerns.

The MD&A should be read in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Government wide Financial Statements

- ❑ At the close of the fiscal year, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$491,916,706. Of this amount, \$83,863,361 (17.0%) represents unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.
- ❑ At the close of the current fiscal year, the net position of the City's *business-type activities* was \$334,475,968. This represented an increase of \$35,427,250 (11.9%) over the prior year's net position for business-type activities.
- ❑ At the close of the current fiscal year, the net position of the City's *governmental activities* was \$157,447,738. This represented an increase of \$11,615,559 (8.0%) from the prior year's net position for governmental activities.

Fund Financial Statements

- ❑ The General Fund, the chief operating fund of the City, had a total fund balance of \$37,522,453 as of June 30, 2023. Of this amount, \$35,574,981 (94.8%) was unassigned.
- ❑ The General Fund had revenues of \$58,990,763 for the current fiscal year. Of this amount, \$16,610,083 (28.2%) was from property taxes, \$12,643,630 (21.4%) was from sales taxes, and \$10,962,287 (18.6%) was from other taxes.

Debt Obligations

- ❑ Long-term debt obligations from primary governmental activities increased \$9,013,885, from \$116,565,424 at June 30, 2022, to \$125,579,309 at June 30, 2023.
- ❑ Long-term debt obligations from business type activities increased \$7,565,855, from \$43,913,847 at June 30, 2022, to \$51,479,702 at June 30, 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the financial statements.

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

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

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, parks and recreation, and community development. The business-type activities of the City include Sanitary Sewer, Solid Waste, Transit, Flint River Entertainment Complex, Airport, Stormwater, Telecommunication, Water, Gas and Light. The government-wide statements split the Internal Service Funds (Workers' Compensation, Utility Internal Service Fund, R3M Fund, Self-administered Insurance Fund, Public Employee Group Health Plan, and Fleet Management) into their share of functions in which they serve, either government or business-type.

Component units are included in the basic financial statements and consist of legally separate entities for which the City is financially accountable and that have either the same governing board as the City or a governing board appointed by the City of Albany. The City has one discretely presented component unit: the Chehaw Park Authority. This unit is excluded from any activities or amounts presented in the primary government.

The government-wide financial statements can be found on pages 29 – 33 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide reconciliation to the government-wide financial statements in order to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains six major governmental funds for financial reporting purposes. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Community Development Fund, Job Investment Fund, Public Improvement Fund, Special Purpose Local Option Sales Tax ("SPLOST") Fund, and Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund.

Other *nonmajor* governmental funds include the following Special Revenue Funds: Hotel/Motel Tax Fund, Grant Fund, Downtown Development Authority, Computer Aided Dispatch, Albany-Dougherty Inner City Authority, Gortatowsky Fund, and Tax Allocation District Fund. Data on these seven nonmajor governmental funds is combined into a single, aggregated presentation in the financial statements. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor funds supplementary section of this report.

The City adopts an annual appropriated budget for its General, Special Revenue, Debt Service and Enterprise Funds. The report contains a "Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget Basis and Actual" for the General and major Special Revenue Funds. However, additional budget information on the nonmajor funds is contained in the supplementary information. Note that capital additions that are not a part of a separate fund are budgeted for in the General Fund.

The governmental funds financial statements can be found on pages 34 – 41 of this report.

Proprietary Funds. Proprietary Funds provide the same type of information as the government-wide financial statements, but in more detail. The Proprietary Fund financial statements provide separate information for major proprietary funds: Sanitary Sewer, Stormwater, Airport, Water, Light, Gas, and Transit.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City maintains nine nonmajor Proprietary Funds. Three of the nonmajor proprietary funds are Enterprise Funds (Flint River Entertainment Complex, Solid Waste, and Telecommunications). These three Enterprise Funds collectively are reflected as "Nonmajor Enterprise Funds" on the Proprietary Funds financial statements. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements.

The remaining six nonmajor Proprietary Funds are internal Service Funds (Self-Administered Insurance Fund, Public Employees' Group Health Plan ("PEGHP") Fund, Workers' Compensation Fund, R3M Fund, Utility Internal Service Fund, and the Fleet Management Fund). These six Internal Service Funds collectively are reflected as "Internal Service Funds" on the Proprietary Funds financial statements. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. Individual fund data for both the Enterprise Funds and the Internal Service Funds is provided in the supplementary information section of this report.

The Proprietary Funds financial statements can be found at pages 42 – 47 of this report.

Fiduciary Funds. Fiduciary Funds, which consist solely of trust and custodial funds, are used to account for resources held for the benefit of parties outside the City. Fiduciary Funds are *not* included in the government-wide financial statements because the resources are *not* available to support the City's operations. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

Details of the City's Pension Fund, a Fiduciary Fund, can be found on pages 48 and 49 of the report.

Notes to the Basic Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements begin on page 50 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A comparative analysis of government-wide information for fiscal years ended June 30, 2022 and June 30, 2023, are included in the MD&A.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$491,916,706 as of June 30, 2023.

As shown on Table 1, the largest portion of the City's net position, \$335.6 million (68.3%), reflects its investment in capital assets less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate liabilities. An additional portion of the City's net position, \$72.4 million (14.7%),

MANAGEMENT'S DISCUSSION AND ANALYSIS

represents resources that are subject to external restrictions on how they may be used. The major restrictions on net position are funding source restrictions. The remaining balance of total net position of \$83.9 million (17.0%) is unrestricted and may be used to meet the City's obligations to citizens and creditors in accordance with the finance-related legal requirements reflected in the City's fund structure.

At the end of the fiscal year ended June 30, 2023, the City reported positive balances in all three categories of net position, both for the City as a whole as well as for its separate governmental and business-type activities.

TABLE 1

CITY OF ALBANY, GEORGIA Statement of Net Position - Primary Government Fiscal Years 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Current and Other Assets	\$ 178,707,287	\$ 175,817,134	\$ 153,496,186	\$ 143,939,344	\$ 332,203,473	\$ 319,756,478
Capital Assets	110,035,883	111,951,138	251,974,325	228,298,297	362,010,208	340,249,435
TOTAL ASSETS	288,743,170	287,768,272	405,470,511	372,237,641	694,213,681	660,005,913
TOTAL DEFERED OUTFLOWS	24,550,113	19,551,992	12,304,536	7,624,511	36,854,649	27,176,503
Current and Other Liabilities	19,614,698	32,084,779	29,836,681	33,451,473	49,451,379	65,536,252
Long-term Liabilities	125,579,309	111,261,990	50,974,702	38,161,151	176,554,011	149,423,141
TOTAL LIABILITIES	145,194,007	143,346,769	80,811,383	71,612,624	226,005,390	214,959,393
TOTAL DEFERRED INFLOWS	10,658,538	18,148,316	2,487,696	9,200,810	13,146,234	27,349,126
Net Position:						
Net Investment in Capital Assets	93,032,680	92,553,942	242,592,313	214,680,411	335,624,993	307,234,353
Restricted	72,428,352	63,797,194	-	-	72,428,352	63,797,194
Unrestricted (deficit)	(8,020,294)	(10,525,957)	91,883,655	84,368,307	83,863,361	73,842,350
TOTAL NET POSITION	\$ 157,440,738	\$ 145,825,179	\$ 334,475,968	\$ 299,048,718	\$ 491,916,706	\$ 444,873,897

MANAGEMENT'S DISCUSSION AND ANALYSIS

In Table 1(a), the 2023 Statement of Net Position is compared to the results for the prior fiscal year. In Table 2(a), the 2022 and 2023 Statement of Activities for the primary government is compared. Revenues increased by \$27.3 million from 2022 to 2023, the total expenses for the same period increased by \$12.7 million.

TABLE 1 (a)

CITY OF ALBANY, GEORGIA Comparison of Net Position for Primary Government Fiscal Years 2023 and 2022

	Total Primary Government FY 2023	Total Primary Government FY 2022	Increase (Decrease)
Current and Other Assets	\$ 332,203,473	\$ 319,756,478	\$ 12,446,995
Capital Assets	362,010,208	340,249,435	21,760,773
TOTAL ASSETS	\$ 694,213,681	\$ 660,005,913	\$ 34,207,768
 TOTAL DEFERED OUTFLOWS	 \$ 36,854,649	 \$ 27,176,503	 \$ 9,678,146
Current and Other Liabilities	\$ 49,451,379	\$ 65,536,252	\$ (16,084,873)
Long-term Liabilities	176,554,011	149,423,141	27,130,870
TOTAL LIABILITIES	\$ 226,005,390	\$ 214,959,393	\$ 11,045,997
 TOTAL DEFERRED INFLOWS	 \$ 13,146,234	 \$ 27,349,126	 \$ (14,202,892)
Net Position:			
Net Investment in Capital Assets	\$ 335,624,993	\$ 307,234,353	\$ 28,390,640
Restricted	72,428,352	63,797,194	8,631,158
Unrestricted (deficit)	83,863,361	73,842,350	10,021,011
TOTAL NET POSITION	\$ 491,916,706	\$ 444,873,897	\$ 47,042,809

MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 2

CITY OF ALBANY, GEORGIA Statement of Activities Fiscal Years 2023 and 2022

	Governmental Activities		Business-Type Activities		Total Primary Government	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 16,417,458	\$ 15,961,785	\$ 180,731,717	\$ 165,100,520	\$ 197,149,175	\$ 181,062,305
Operating Grants and Contributions	14,074,728	14,800,263	2,140,827	2,331,168	16,215,555	17,131,431
Capital Grants and Contributions	27,062,855	24,765,441	13,333,685	8,848,167	40,396,540	33,613,608
General Revenues:						
Property Taxes	17,181,912	17,028,146	-	-	17,181,912	17,028,146
Sales Taxes	12,643,630	11,948,598	-	-	12,643,630	11,948,598
Other Taxes	13,455,893	14,507,163	-	-	13,455,893	14,507,163
Investment Income	5,175,257	614,703	1,490,834	123,054	6,666,091	737,757
Gain on Sale or Disposal of Capital Assets	40,893	6,675	201,213	306,991	242,106	313,666
TOTAL REVENUES	106,052,626	99,632,774	197,898,276	176,709,900	303,950,902	276,342,674
Expenses:						
General Government	20,261,477	22,598,580	-	-	20,261,477	22,598,580
Judicial	1,282,456	1,398,528	-	-	1,282,456	1,398,528
Public Safety	47,456,578	40,641,557	-	-	47,456,578	40,641,557
Public Works	14,761,318	8,408,584	-	-	14,761,318	8,408,584
Parks and Recreation	9,560,022	8,182,604	-	-	9,560,022	8,182,604
Community Development	5,970,099	7,215,055	-	-	5,970,099	7,215,055
Community Service	519,407	537,086	-	-	519,407	537,086
Interest on Long-term Debt	636,694	644,012	-	-	636,694	644,012
Sewer	-	-	14,355,059	13,498,318	14,355,059	13,498,318
Solid Waste	-	-	12,174,936	11,604,178	12,174,936	11,604,178
Airport	-	-	4,245,802	4,497,915	4,245,802	4,497,915
Water	-	-	12,032,657	11,659,782	12,032,657	11,659,782
Gas	-	-	18,175,732	19,777,234	18,175,732	19,777,234
Light	-	-	75,806,643	73,890,451	75,806,643	73,890,451
Telecommunications	-	-	3,329,315	3,179,036	3,329,315	3,179,036
Transit	-	-	5,420,148	5,281,212	5,420,148	5,281,212
Stormwater	-	-	6,926,379	6,810,349	6,926,379	6,810,349
Flint River Entertainment Complex	-	-	3,993,371	4,351,421	3,993,371	4,351,421
TOTAL EXPENSES	100,448,051	89,626,006	156,460,042	154,549,896	256,908,093	244,175,902
Increase/(decrease) Before Transfers	5,604,575	10,006,768	41,438,234	22,160,004	47,042,809	32,166,772
Transfers	6,010,984	2,375,326	(6,010,984)	(2,375,326)	-	-
CHANGE IN NET POSITION	11,615,559	12,382,094	35,427,250	19,784,678	47,042,809	32,166,772
Net Position - Beg. of Year	145,825,179	133,443,085	299,048,718	279,264,040	444,873,897	412,707,125
Net Position - End of Year	\$ 157,440,738	\$ 145,825,179	\$ 334,475,968	\$ 299,048,718	\$ 491,916,706	\$ 444,873,897

MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 2 (a)

CITY OF ALBANY, GEORGIA Comparison of Statement of Activities for Primary Government Fiscal Years 2023 and 2022

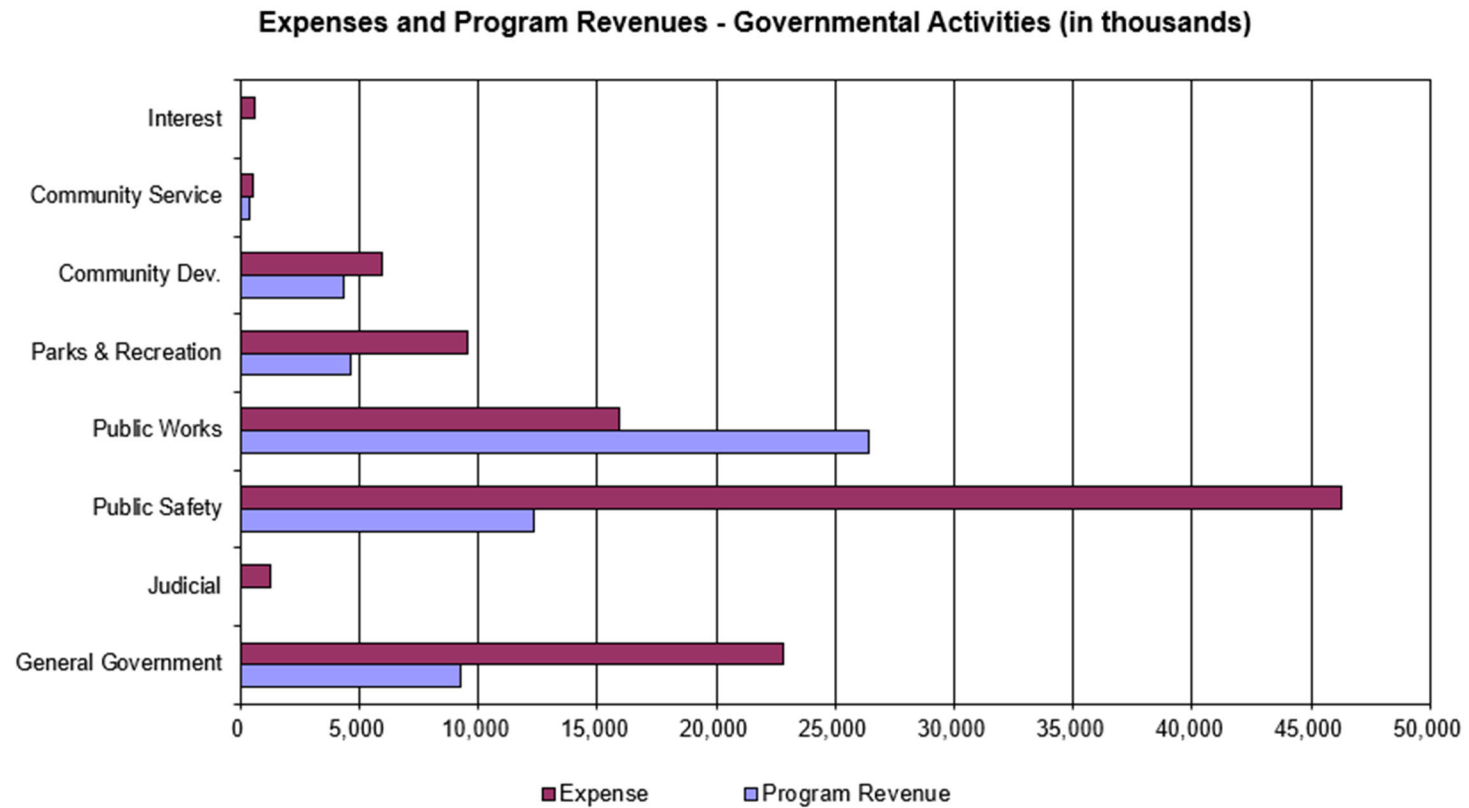
	Total Primary Government Activities - 2023	Total Primary Government Activities - 2022	Increase (Decrease)
Revenues:			
<u>Program Revenues:</u>			
Charges for Services	\$ 197,149,175	\$ 181,062,305	\$ 16,086,870
Operating Grants and Contributions	16,215,555	17,131,431	(915,876)
Capital Grants and Contributions	40,396,540	33,613,608	6,782,932
<u>General Revenues:</u>			
Property Taxes	17,181,912	17,028,146	153,766
Sales Taxes	12,643,630	11,948,598	695,032
Other Taxes	13,455,893	14,507,163	(1,051,270)
Investment Income	6,666,091	737,757	5,928,334
Gain on Sale or Disposal of Capital Assets	242,106	313,666	(71,560)
TOTAL REVENUES	<u>303,950,902</u>	<u>276,342,674</u>	<u>27,608,228</u>
Expenses:			
General government	20,261,477	22,598,580	(2,337,103)
Judicial	1,282,456	1,398,528	(116,072)
Public Safety	47,456,578	40,641,557	6,815,021
Public Works	14,761,318	8,408,584	6,352,734
Parks and Recreation	9,560,022	8,182,604	1,377,418
Community Development	5,970,099	7,215,055	(1,244,956)
Community Service	519,407	537,086	(17,679)
Interest on Long-term Debt	636,694	644,012	(7,318)
Sewer	14,355,059	13,498,318	856,741
Solid Waste	12,174,936	11,604,178	570,758
Airport	4,245,802	4,497,915	(252,113)
Water	12,032,657	11,659,782	372,875
Gas	18,175,732	19,777,234	(1,601,502)
Light	75,806,643	73,890,451	1,916,192
Telecommunications	3,329,315	3,179,036	150,279
Transit	5,420,148	5,281,212	138,936
Stormwater	6,926,379	6,810,349	116,030
Flint River Entertainment Complex	3,993,371	4,351,421	(358,050)
TOTAL EXPENSES	<u>256,908,093</u>	<u>244,175,902</u>	<u>12,732,191</u>
CHANGE IN NET POSITION	<u>\$ 47,042,809</u>	<u>\$ 32,166,772</u>	<u>\$ 14,876,037</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

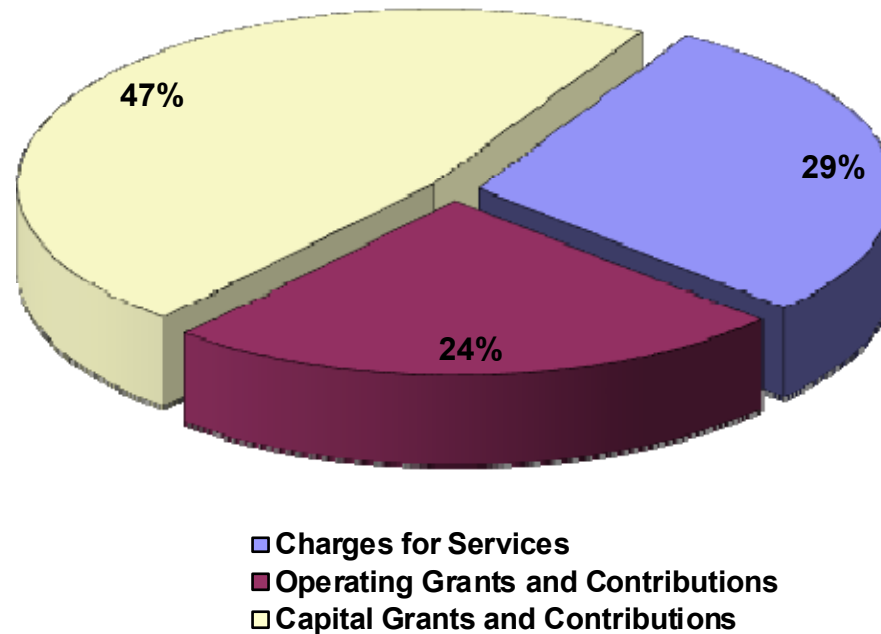
Governmental activities increased the City's net position by \$11,615,559. Revenues from governmental activities totaled \$106,052,626; with operating grants (13.2%), capital grants and contributions (25.5%), property taxes (16.2%), other taxes (12.7%), sales taxes (11.9%), and charges for services (15.5%) contributing to the City's revenues. Expenses for governmental activities were \$100,448,051, of which 57.3% was supported from program revenues and 42.7% from general revenues. Expenses for Public Safety (47.2%), General Government (20.2%), Public Works Admin & Streets (14.7%) make up (82.1%) of the total expense for governmental activities. Public Safety and Public Works saw large increases in fiscal year 2023 compared with the prior year, \$6,815,021 and \$6,352,734, respectively. With regards to the increase in expenditures in public works, there were large SPLOST and TSPLOST projects such as street resurfacing (over \$6 million increase) In the previous fiscal year, there was a delay in the planning and the project did not commence during fiscal year 2022. Public Safety increase of \$5,663,993 is due to a variety of factors. One is the expenditure of health literacy grant dollars in the amount of over \$1.8 million. Also, the police department used RedSpeed funding, school zone cameras and related ticketing, resulting in an increase of over \$1.1 million in expenditures. \$275,000 school zone flashers, 64,000 tasers program, \$242,000 cameras and surveillance, \$225,000 gunshot detection, and \$190,000 police radios are a few of the non-recurring expenditures related to public safety during fiscal year 2023. Another major contributor to the increase in public safety expenditures is the additional payment to the pension plan authorized by the City Commission in the amount of \$1 million. There were authorized increases in wages to incentivize officers to join the City. The fire department also saw an increase of over \$700,000, mostly due to the increased cost of personnel services.

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities - Breakout of Program Revenue



MANAGEMENT'S DISCUSSION AND ANALYSIS

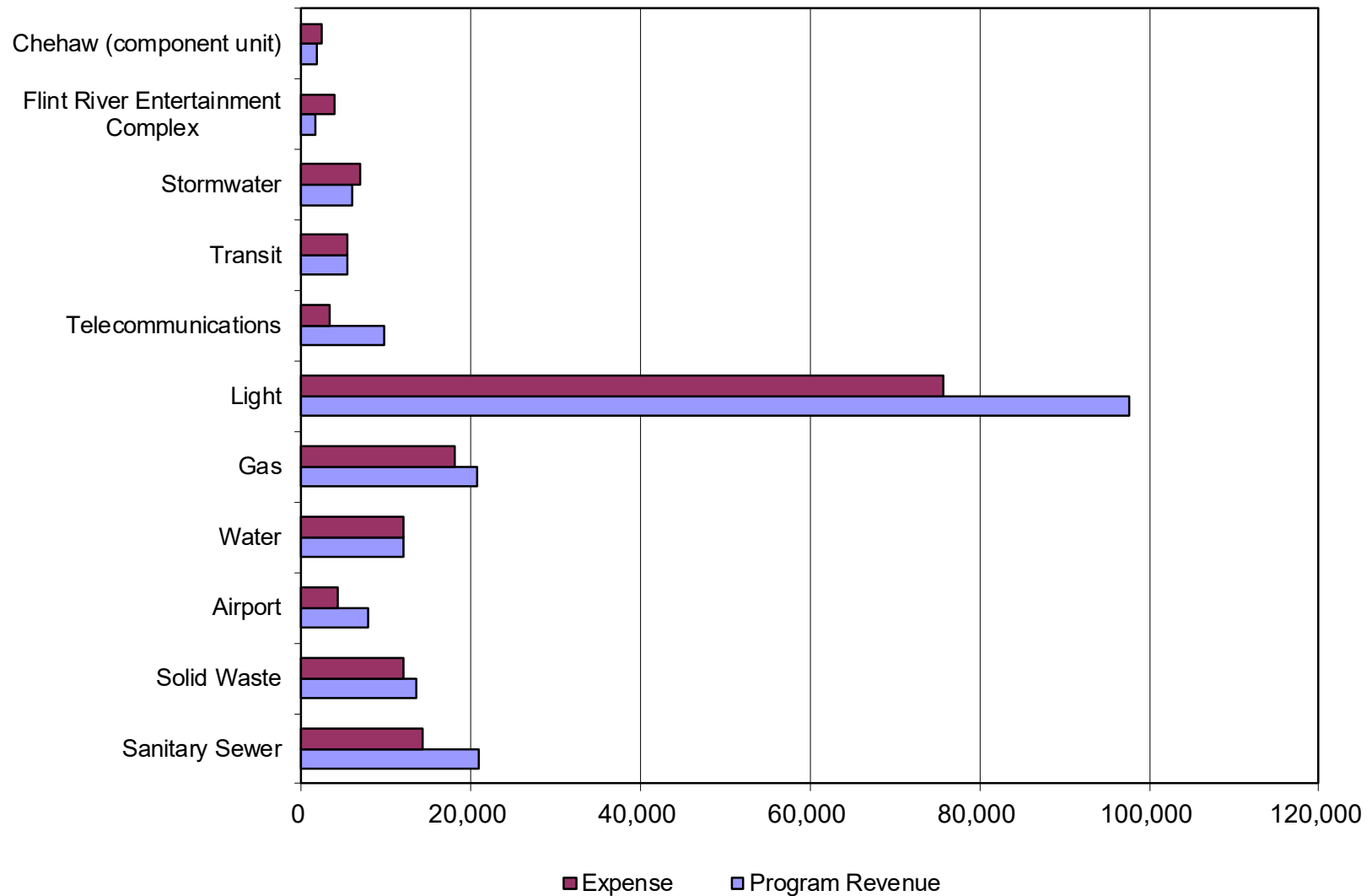
Business-type Activities

Business-type activities increased the City's net position by \$35,427,250. As of June 30, 2023, total business-type net position was \$334,475,968, of which \$242,592,313 was invested in capital assets and \$91,883,655 was unrestricted. The Light Fund has debt payments and capital projects needs of over \$5 million and is planning for future generation needs of approximately \$5 million per year. The Light Fund had budgeted to have a positive change in net position of \$10,801,415 but exceeded expectations in the amount of \$579,829 by continuing to deliver a high level of service despite the high vacancies. The Transit Fund had a positive change in net position in the amount of \$8,613,622 due to the grant and SPLOST dollars used in funding the New Transportation Center that is recognized as a capital contribution of over \$6 million. Telecommunications fund received over \$6 million due to the sale of Georgia Public Web in which the City had a substantial interest, which resulted in Telecommunications having an over \$6.2 million change in position.

Revenues totaled \$197,898,276 with 99.1% of revenues coming from Program Revenues. (See chart "Business-Type Activities – Breakout by Revenues"). Total expenses were \$156,460,042. The largest expenses were Light (48.5%) and Gas (11.6%).

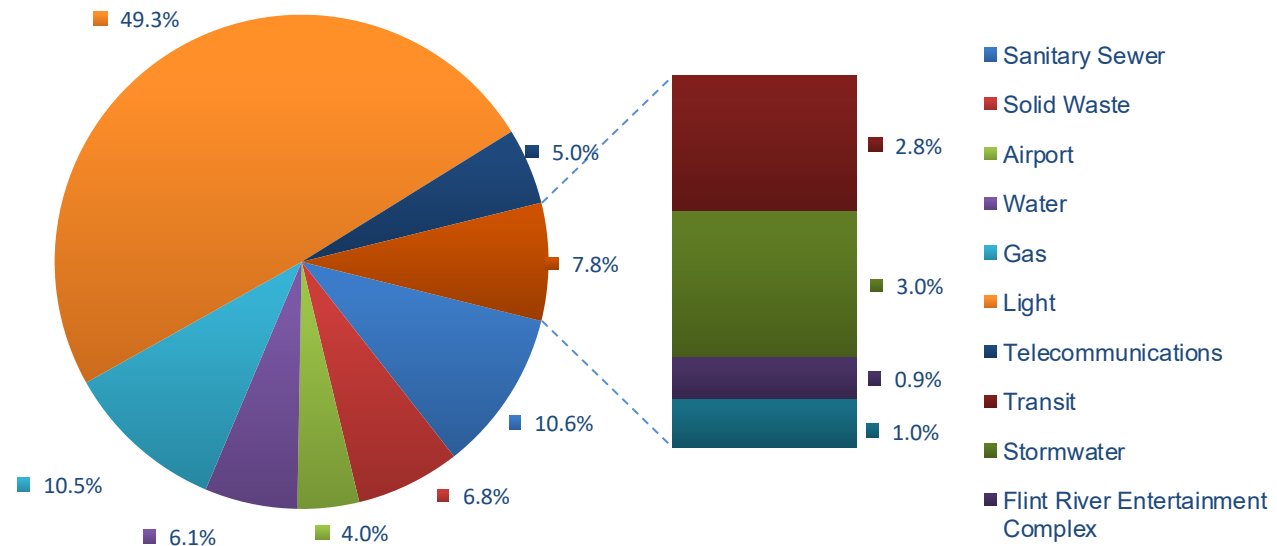
MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenses and Program Revenues - Business Type Activities (in thousands)



MANAGEMENT'S DISCUSSION AND ANALYSIS

Business Type Activity - Breakout by Revenues



MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$154,500,505, an increase of \$10,034,452 in comparison from the prior year. The majority of the changes in fund balance is due to the lack of spending on SPLOST (\$2,473,649) and TSPLOST (\$5,776,507) projects. The City has taken steps to improve moving projects forward and holding project managers accountable. \$33,134,378 (21.4%) constituted unassigned fund balance, which is available for spending at the government's discretion. The remaining \$121,366,127 of the fund balance (78.6%) is divided as follows: \$256,897 is non-spendable due to being in a form such as inventory or prepaid items; \$79,705,943 is legally restricted by an outside authority or a legal agreement, such as SPLOST or loans; and a combined total of \$41,403,287 is either assigned or committed for future use by the government.

The General Fund is the chief operating fund of the City. As of June 30, 2023, the *unassigned* fund balance in the General Fund was \$35,574,981; the total fund balance was \$37,522,453, an increase of \$1,308,433 compared to 2022.

The General Fund's liquidity can be measured by comparing both the *fund balance available for spending (committed, assigned, and unassigned)* and total fund balance to *total fund expenditures*. Available fund balance represents 55.4% of the total general fund expenditures, while total fund balance represents 56.0% of that same amount. When *transfers out* are added to *expenditures*, the available fund balance represents 49.5% of expenditures plus transfers, while the total fund balance represents 50.0% of this amount.

The General Fund had the following transfers in (increases) and transfers out (decreases):

- ❑ Transfers in from other funds (\$17,148,352) represent transfers from the Hotel/Motel Tax, Sewer, Stormwater, Solid Waste, Water, Gas, Telecommunications, and Light Funds.
- ❑ Funding for component units (\$882,000) represents an agreed payment to Chehaw Park Authority, a separate component unit of the City. The funds are used by Chehaw Park Authority to subsidize the operation of the park. This amount is included as parks and recreation expenditures.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- ❑ Other transfers out represent General Fund support of the following funds during the fiscal year: Transit, Grant, R3M, Fleet, Public Employees' Deposit Fund, Flint River Entertainment Complex, Downtown Development Authority ("DDA"), and Public Improvement.

During the fiscal year ended June 30, 2023, the City's General Fund balance increased by \$1,308,433. The following contributed to the change:

- ❑ Actual revenues were \$176,764 under budget due to the loss on investments, while expenditures were \$4,404,941 under budget.
- ❑ The General Fund transferred \$1.5 Million into the Fleet Fund to supplement the Internal Service Fund for loss on operations.
- ❑ The General Fund transferred \$1.5 Million into the Public Employee Group Health Plan Fund to help to fund the higher claims.

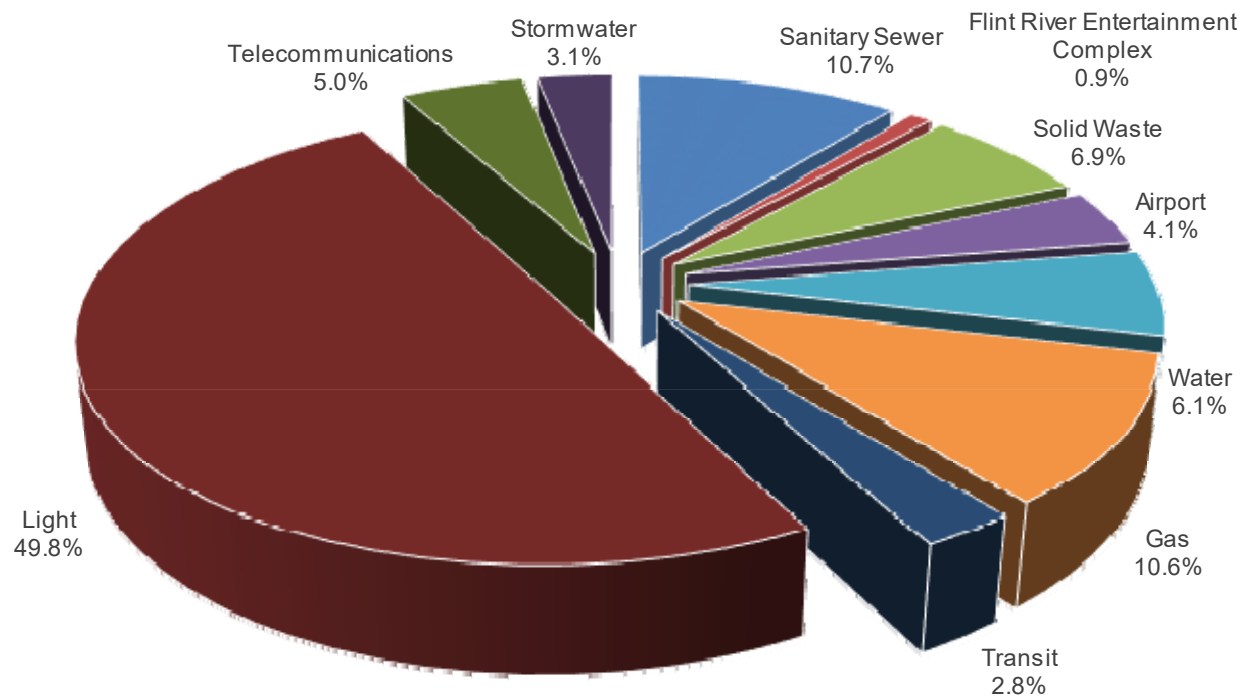
During the fiscal year ended June 30, 2023, the City's Community Development, SPLOST, and TSPLOST Fund balances increased by \$810,402, \$2,473,649, and \$5,776,507, respectively. During fiscal year 2023, the Community Development Block Grant received an early payoff of the Section 108 Note in the amount of \$1.2 million which was \$900,000 greater than the budgeted and expected revenue for the fund. SPLOST and TSPLOST spending have been trending slower than the receipt of funding. The City Manager has instituted monthly meetings in order to remove barriers and encourage movement of all long-term projects.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the government-wide financial statements, but in more detail. For the fiscal year ended June 30, 2023, the Proprietary Funds had total operating revenues of \$180.7 million. Based on revenues, the largest Proprietary Fund is the Light Fund (49.8%), followed by the Sewer Fund (10.7%), and Gas Fund (10.6%). See chart below for an overview of revenue by Proprietary Fund.

Proprietary Funds - Analysis of Operating Revenue by Fund



MANAGEMENT'S DISCUSSION AND ANALYSIS

The change in net position for Proprietary Funds was \$35,477,250 representing a 11.9% increase from the prior year's adjusted net position balance of \$299,048,718. The net change was the result of the following:

Financial Analysis of the Fund Financial Statements

<u>Proprietary Funds</u>	<u>Change in Net Position</u>
Sanitary Sewer Fund	\$ 5,284,642
Stormwater	1,390,036
Airport Fund	4,686,015
Water	(937,456)
Light	11,381,244
Gas	807,703
Transit	8,613,622
Nonmajor Enterprise Funds	5,277,660
GASB Adjustment	(1,026,216)
Total Change in Net Position	<u>\$ 35,477,250</u>

The Light Fund received a large Municipal Electric Authority of Georgia ("MEAG") refund during fiscal year 2023 in the amount of \$1.6 million. This refund is due to savings that the power supplier incurred throughout the year, as well as debt restructuring. This was not shown as a reduction in cost of goods sold, but instead was presented as unbudgeted revenue. In addition, the Light Fund had underground utility projects paid for by the SPLOST VII funding which were received to the Light Fund as a capital contribution in the amount of \$3.7 million. The Transit Fund received the capital contribution of the Transportation Center from the Grant and SPLOST VII dollars in the amount of \$6.3M.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the budgeted revenues and expenditures equal the net effect of the transfers in and out between other funds. Because of the relatively flat economy, the City was conservative in estimating tax and license revenue. The City's revenues were 0.3% under the budgeted amount. The City's expenditures were 6.2% under budget. This was the result of the City aggressively monitoring costs and a fair amount of vacant positions that remained unfilled during the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

TABLE 3

CITY OF ALBANY, GEORGIA General Fund Statement of Revenues and Expenditures - Budget and Actual For the Fiscal Year Ended June 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Revenues:				
Property taxes	\$ 16,640,000	\$ 16,640,000	\$ 16,610,083	\$ (29,917)
Sales taxes	11,418,761	11,418,761	12,643,630	1,224,869
Other taxes	11,805,614	11,805,614	10,962,287	(843,327)
Licenses and permits	1,165,104	1,165,104	1,676,077	510,973
Intergovernmental	12,294,616	12,294,616	12,142,092	(152,524)
Charges for services	505,449	505,449	573,166	67,717
Fines and forfeitures	1,531,464	1,531,464	4,259,327	2,727,863
Interest income	-	-	(458,984)	(458,984)
Other	1,041,792	3,806,519	583,085	(3,223,434)
TOTAL REVENUES	\$ 56,402,800	\$ 59,167,527	\$ 58,990,763	\$ (176,764)
Expenditures:				
General government	\$ 14,256,582	\$ 15,568,647	\$ 14,214,151	\$ 1,354,496
Judicial	1,920,118	1,920,118	1,338,659	581,459
Public safety	39,264,761	40,567,423	38,689,577	1,877,846
Public works	5,092,849	5,092,849	4,688,932	403,917
Parks and recreation	7,580,492	7,730,492	7,548,129	182,363
Community svc (Subsidized agencies)	582,000	582,000	577,140	4,860
TOTAL EXPENDITURES	\$ 68,696,802	\$ 71,461,529	\$ 67,056,588	\$ 4,404,941

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to \$362,010,208 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and vehicles, infrastructure, and construction in progress. Additional information on the City's capital assets can be found in Note 5 on pages 73 – 75 of this report.

TABLE 4

CITY OF ALBANY, GEORGIA Capital Assets (Net of Depreciation) June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Capital assets not being depreciated:			
Land	\$ 15,617,807	\$ 14,294,298	\$ 29,912,105
Construction in Progress	11,128,478	48,283,186	59,411,664
Total assets not depreciated	26,746,285	62,577,484	89,323,769
Capital assets being depreciated:			
Buildings and improvements	72,444,834	182,088,312	254,533,146
Equipment and vehicles	44,312,008	77,252,206	121,564,214
Infrastructure	94,170,514	181,555,818	275,726,332
Total assets depreciated	210,927,356	440,896,336	651,823,692
Less accumulated depreciation:			
Buildings and improvements	40,660,501	93,013,477	133,673,978
Equipment and vehicles	24,600,963	51,356,518	75,957,481
Infrastructure	62,376,294	107,129,500	169,505,794
Total accumulated depreciation	127,637,758	251,499,495	379,137,253
Total assets depreciated, net	83,289,598	189,396,841	272,686,439
Capital assets, net	\$ 110,035,883	\$ 251,974,325	\$ 362,010,208

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt. At the end of the current fiscal year, the City's total long-term debt outstanding is \$177.1 million – an increase of \$16.6 million over the previous year. Of this amount, \$10.8 million is due within one year. Net Pension Liability (58.2%), OPEB Liabilities (19.9%), Notes from Direct Borrowings (7.9%), Certificates of Participation (5.6%), and Financed Purchase from Direct Borrowing (3.7%), make up \$168.9 million of the total. The remaining \$8.2 million is comprised of notes payable, revenue bonds, general obligation bonds, and compensated absences. Additional information regarding the City's long-term debt can be found in Note 6 pages 76 - 86.

TABLE 5

CITY OF ALBANY, GEORGIA Long-Term Debt Obligations For the Fiscal Year Ended 30, 2023

	Balance at June 30, 2023	Percentage of Total	Due Within One Year
<u>Governmental Activities</u>			
Bonds Payable	\$ 330,000	0.2%	\$ 330,000
Notes Payable	412,000	0.2%	344,000
Notes from Direct Borrowings	12,842,142	7.3%	969,223
Certificates of Participation	10,000,000	5.6%	-
OPEB Liability	35,282,801	19.9%	-
Net Pension Liability	63,201,987	35.7%	-
Compensated Absences	3,510,379	2.0%	3,159,340
Governmental Long-term Liabilities	<u>125,579,309</u>		<u>4,802,563</u>
<u>Business-Type Activities</u>			
Bonds Payable:			
Revenue Bonds	1,580,000	0.9%	505,000
Financed Purchase from Direct Borrowing	6,549,000	3.7%	3,227,000
Notes from Direct Borrowing	1,191,588	0.7%	81,863
Net Pension Liability	39,789,773	22.5%	-
Compensated Absences	2,369,341	1.3%	2,135,182
Business-type Long-term Liabilities	<u>51,479,702</u>		<u>5,949,045</u>
Total primary government liabilities	<u>\$ 177,059,011</u>		<u>\$ 10,751,608</u>

MANAGEMENT’S DISCUSSION AND ANALYSIS

The General Obligation Bonds relate to bonds issued for the Albany-Dougherty Inner City Authority (“ADICA”). The Revenue Bonds relate to a water bond issued in 2005. The Certificates of Participation represent the City’s purchase of equipment and vehicles from the Georgia Municipal Association Pooled Bond Funds. The Notes Payable represents the City’s obligations to the U.S. Department of Housing and Urban Development for the development of the Hilton Garden Inn and Conference Center. Compensated Absences represent the City’s obligation for accrued vacation and sick leave.

Bond Ratings

The following are the financial strength ratings the City has received from Moody’s Investors Service, Inc. and S&P (if available):

	<u>Moody’s</u>	<u>S&P</u>
ADICA Bonds	A-3	-
Water Revenue Bonds	A-3	-

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The attached report provides a variety of economic data that can be used to assess the current and long-term expected economic health of the City. Specifically, the report includes data related to property tax values; property tax rates; property tax levies and collections; special assessment billings and collections; commercial and residential construction activity; bank deposits; principal manufacturing and non-manufacturing employers; assessed and actual real property values; and similar information.

The City is affected by the same economic conditions that influence the State of Georgia and the nation as a whole. The long-term impacts of the pandemic on local businesses and consumer habits are yet to be determined. These factors and economic conditions were taken into account in developing the City’s prior year budget. However, a review of the detailed economic information is useful in assessing specific aspects of the City’s economy.

With the opening of the economy after COVID-19 vaccines distribution on a widescale basis, there have been small signs of economic recovery and reasons for cautious optimism. Different variants of the virus have the potential to up-end the progress made. The City is poised to address a slowdown with utility expansion, supply chain issues, and continued high vacancy rates with alternative funding sources and strategic fiscal policy.

The City has adopted and accomplished much of the strategic plan from 2018 and updated its financial policies in 2021 to assist with its long-term success. The passing of the TSPLOST referendum by voters and seeking non-traditional revenue sources, such as grants, continues to assist the City in the investment into infrastructure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of Albany, Georgia's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

City of Albany
Chief Financial Officer
222 Pine Avenue, Room 460
Albany, Georgia 31701

BASIC FINANCIAL STATEMENTS

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government			Component Unit
	Governmental	Business-type		Chehaw Park
	Activities	Activities	Total	Authority
ASSETS				
Cash and cash equivalents	\$ 78,935,265	\$ 79,914,684	\$ 158,849,949	\$ 203,971
Investments	75,998,555	38,274,227	114,272,782	-
Taxes receivable	201,763	-	201,763	-
Accounts receivable, net of allowances	2,859,251	25,703,644	28,562,895	20,989
Notes receivable	4,970,237	-	4,970,237	-
Interest receivable	155,341	-	155,341	-
Leases receivable	-	599,318	599,318	-
Inventories	248,073	5,449,654	5,697,727	7,462
Internal balances	2,675,756	(2,675,756)	-	-
Due from other governments	12,030,719	5,671,227	17,701,946	-
Prepaid items	8,824	-	8,824	-
Restricted assets:				
Investments	-	559,188	559,188	-
Fair value of interest rate swap agreement	623,503	-	623,503	-
Capital assets:				
Non-depreciable	26,746,285	62,577,484	89,323,769	1,283,104
Depreciable, net of accumulated depreciation	83,289,598	189,396,841	272,686,439	6,108,954
Total assets	<u>288,743,170</u>	<u>405,470,511</u>	<u>694,213,681</u>	<u>7,624,480</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	3,211	-	3,211	-
Pensions	19,544,499	12,304,536	31,849,035	-
OPEB	5,002,403	-	5,002,403	-
Total deferred outflows of resources	<u>24,550,113</u>	<u>12,304,536</u>	<u>36,854,649</u>	<u>-</u>

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government			Component Unit
	Governmental	Business-type		Chehaw Park
	Activities	Activities	Total	Authority
LIABILITIES				
Accounts payable	\$ 7,370,371	\$ 8,999,754	\$ 16,370,125	\$ 68,538
Retainage payable	679,212	61,424	740,636	-
Accrued expenses	2,351,368	463,226	2,814,594	27,931
Claims payable	3,266,558	-	3,266,558	-
Due to other governments	69,624	-	69,624	-
Unearned revenues	5,877,565	16,427,420	22,304,985	-
Line of credit	-	-	-	29,929
Advance payments and customer deposits	-	87,214	87,214	10,925
Payable from restricted assets:				
Current maturities of long-term debt	-	505,000	505,000	-
Customer deposits	-	3,292,643	3,292,643	-
Certificates of participation, due in more than one year	10,000,000	-	10,000,000	-
Bonds payable, due within one year	330,000	-	330,000	-
Bonds payable, due in more than one year	-	1,075,000	1,075,000	-
Notes payable, due within one year	1,313,223	81,863	1,395,086	-
Notes payable, due in more than one year	11,940,919	1,109,725	13,050,644	-
Financed purchases from direct borrowings, due within one year	-	3,227,000	3,227,000	-
Financed purchases from direct borrowings, due in more than one year	-	3,322,000	3,322,000	-
Compensated absences payable, due within one year	3,159,340	2,135,182	5,294,522	-
Compensated absences payable, due in more than one year	351,039	234,159	585,198	-
Net pension liability, due in more than one year	63,201,987	39,789,773	102,991,760	-
Total OPEB liability, due in more than one year	35,282,801	-	35,282,801	-
Total liabilities	145,194,007	80,811,383	226,005,390	137,323

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government			Component Unit
	Governmental	Business-type		Chehaw Park
	Activities	Activities	Total	Authority
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivative	\$ 623,503	\$ -	\$ 623,503	\$ -
Leases	-	589,421	589,421	-
Pensions	3,015,215	1,898,275	4,913,490	-
OPEB	7,019,820	-	7,019,820	-
Total deferred inflows of resources	10,658,538	2,487,696	13,146,234	-
NET POSITION				
Net investment in capital assets	93,032,680	242,592,313	335,624,993	7,392,058
Restricted for:				
Federal programs	2,467,359	-	2,467,359	-
Promotion of tourism	247,822	-	247,822	-
Public safety	131,057	-	131,057	-
Gortatowsky endowment	9,972	-	9,972	-
Capital projects	83,417,531	-	83,417,531	-
Unrestricted (deficit)	(21,865,683)	91,883,655	70,017,972	95,099
Total net position	\$ 157,440,738	\$ 334,475,968	\$ 491,916,706	\$ 7,487,157

The notes to the financial statements are an integral part of this statement

CITY OF ALBANY, GEORGIA

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

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit Chehaw Park Authority
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities:								
General government	\$ 20,261,477	\$ 2,081,488	\$ 7,014,228	\$ 142,650	\$ (11,023,111)	\$ -	\$ (11,023,111)	\$ -
Judicial	1,282,456	-	-	-	(1,282,456)	-	(1,282,456)	-
Public safety	47,456,578	6,014,659	5,059,708	1,229,208	(35,153,003)	-	(35,153,003)	-
Public works	14,761,318	6,584,523	1,263,726	18,815,390	11,902,321	-	11,902,321	-
Parks and recreation	9,560,022	449,111	396,792	3,802,728	(4,911,391)	-	(4,911,391)	-
Community development	5,970,099	1,287,677	340,274	2,696,689	(1,645,459)	-	(1,645,459)	-
Community service	519,407	-	-	376,190	(143,217)	-	(143,217)	-
Interest on long-term debt	636,694	-	-	-	(636,694)	-	(636,694)	-
Total governmental activities	<u>100,448,051</u>	<u>16,417,458</u>	<u>14,074,728</u>	<u>27,062,855</u>	<u>(42,893,010)</u>	<u>-</u>	<u>(42,893,010)</u>	<u>-</u>
Business-type Activities:								
Sanitary sewer	14,355,059	21,040,229	-	-	-	6,685,170	6,685,170	-
Solid waste	12,174,936	13,513,828	-	-	-	1,338,892	1,338,892	-
Airport	4,245,802	1,273,084	-	6,702,410	-	3,729,692	3,729,692	-
Water	12,032,657	12,043,731	-	-	-	11,074	11,074	-
Gas	18,175,732	20,841,507	-	-	-	2,665,775	2,665,775	-
Light	75,806,643	93,974,452	-	3,659,427	-	21,827,236	21,827,236	-
Telecommunication	3,329,315	9,868,243	-	-	-	6,538,928	6,538,928	-
Transit	5,420,148	424,738	2,140,827	2,971,848	-	117,265	117,265	-
Stormwater	6,926,379	6,040,721	-	-	-	(885,658)	(885,658)	-
Civic center	3,993,371	1,711,184	-	-	-	(2,282,187)	(2,282,187)	-
Total business-type activities	<u>156,460,042</u>	<u>180,731,717</u>	<u>2,140,827</u>	<u>13,333,685</u>	<u>-</u>	<u>39,746,187</u>	<u>39,746,187</u>	<u>-</u>
Total primary government	<u>\$ 256,908,093</u>	<u>\$ 197,149,175</u>	<u>\$ 16,215,555</u>	<u>\$ 40,396,540</u>	<u>(42,893,010)</u>	<u>39,746,187</u>	<u>(3,146,823)</u>	<u>-</u>
Component Unit:								
Chehaw Park Authority	\$ 2,480,050	\$ 864,482	\$ 1,079,934	\$ -	-	-	-	(535,634)
Total component unit	<u>\$ 2,480,050</u>	<u>\$ 864,482</u>	<u>\$ 1,079,934</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(535,634)</u>

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Net (Expenses) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Chehaw Park Authority
General revenues:				
Property taxes	\$ 17,181,912	\$ -	\$ 17,181,912	\$ -
Sales taxes	12,643,630	-	12,643,630	-
Franchise taxes	1,736,181	-	1,736,181	-
Business taxes	1,722,993	-	1,722,993	-
Insurance premium tax	5,657,982	-	5,657,982	-
Alcoholic beverage tax	1,279,251	-	1,279,251	-
Hotel/Motel tax	2,493,606	-	2,493,606	-
Other taxes	565,880	-	565,880	-
Investment income	5,175,257	1,490,834	6,666,091	-
Gain on sale of capital assets	40,893	201,213	242,106	125,140
Transfers	6,010,984	(6,010,984)	-	-
Total general revenues and transfers	54,508,569	(4,318,937)	50,189,632	125,140
Change in net position	11,615,559	35,427,250	47,042,809	(410,494)
Net position, beginning of year	145,825,179	299,048,718	444,873,897	7,897,651
Net position, end of year	<u>\$ 157,440,738</u>	<u>\$ 334,475,968</u>	<u>\$ 491,916,706</u>	<u>\$ 7,487,157</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

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

	General Fund	Community Development Fund	Job Investment Fund	Public Improvement Fund	SPLOST Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 31,357,255	\$ 2,677,309	\$ -	\$ 139,611	\$ 12,379,095	\$ 30,687,662	\$ 1,000,714	\$ 78,241,646
Investments	-	-	22,489,963	19,119,827	24,710,371	2,880,053	482,506	69,682,720
Receivables, net of allowance:								
Taxes	201,005	-	-	-	-	-	758	201,763
Accounts	1,578,921	76,601	-	-	-	-	251,343	1,906,865
Notes	-	4,470,237	500,000	-	-	-	-	4,970,237
Interest	-	-	155,341	-	-	-	-	155,341
Due from other funds	14,508,946	-	76,091	-	-	-	-	14,585,037
Due from other governments	1,335,788	26,128	-	-	7,698,835	1,042,693	1,927,275	12,030,719
Inventories	248,073	-	-	-	-	-	-	248,073
Prepaid items	5,290	-	-	-	-	-	3,534	8,824
Advance to other funds	593,597	-	1,616,333	-	-	-	-	2,209,930
Total assets	<u>\$ 49,828,875</u>	<u>\$ 7,250,275</u>	<u>\$ 24,837,728</u>	<u>\$ 19,259,438</u>	<u>\$ 44,788,301</u>	<u>\$ 34,610,408</u>	<u>\$ 3,666,130</u>	<u>\$ 184,241,155</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 4,720,144	\$ 130,351	\$ -	\$ 71,059	\$ 1,543,440	\$ 104,228	\$ 81,048	\$ 6,650,270
Accrued liabilities	2,092,221	88,171	-	-	-	-	158,674	2,339,066
Retainage payable	-	-	-	-	679,212	-	-	679,212
Due to other funds	-	87,369	-	5,000,000	163,713	-	1,870,823	7,121,905
Due to other governments	66,760	-	-	-	-	-	2,864	69,624
Unearned revenues	5,427,297	4,477,025	-	342,990	-	-	107,278	10,354,590
Advances from other funds	-	-	-	-	-	-	2,209,930	2,209,930
Total liabilities	<u>12,306,422</u>	<u>4,782,916</u>	<u>-</u>	<u>5,414,049</u>	<u>2,386,365</u>	<u>104,228</u>	<u>4,430,617</u>	<u>29,424,597</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - grants	-	-	-	-	79,034	-	237,019	316,053
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,034</u>	<u>-</u>	<u>237,019</u>	<u>316,053</u>

(Continued)

CITY OF ALBANY, GEORGIA

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

	General Fund	Community Development Fund	Job Investment Fund	Public Improvement Fund	SPLOST Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES (CONTINUED)								
FUND BALANCES								
Non-spendable:								
Inventories	\$ 248,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 248,073
Prepaid items	5,290	-	-	-	-	-	3,534	8,824
Restricted:								
Federal community development programs	-	2,467,359	-	-	-	-	-	2,467,359
Promotion of tourism	-	-	-	-	-	-	247,822	247,822
Public safety	131,057	-	-	-	-	-	-	131,057
Gortatowsky endowment	-	-	-	-	-	-	9,972	9,972
Capital projects	-	-	-	13,845,389	42,322,902	34,506,180	-	90,674,471
Grants	-	-	-	-	-	-	20,651	20,651
Committed:								
Advance to other funds	593,597	-	1,616,333	-	-	-	-	2,209,930
Inner city development	-	-	-	-	-	-	401,473	401,473
Economic development	-	-	23,221,395	-	-	-	-	23,221,395
Capital projects	-	-	-	-	-	-	755,645	755,645
Assigned:								
City cemetery	759,499	-	-	-	-	-	-	759,499
Keep Albany-Dougherty Beautiful	209,956	-	-	-	-	-	-	209,956
Unassigned	35,574,981	-	-	-	-	-	(2,440,603)	33,134,378
Total fund balances	<u>37,522,453</u>	<u>2,467,359</u>	<u>24,837,728</u>	<u>13,845,389</u>	<u>42,322,902</u>	<u>34,506,180</u>	<u>(1,001,506)</u>	<u>154,500,505</u>
Total liabilities and fund balances	<u>\$ 49,828,875</u>	<u>\$ 7,250,275</u>	<u>\$ 24,837,728</u>	<u>\$ 19,259,438</u>	<u>\$ 44,788,301</u>	<u>\$ 34,610,408</u>	<u>\$ 3,666,130</u>	

(Continued)

CITY OF ALBANY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

<u>Fund</u>	<u>Community Fund</u>	<u>Job Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Nonmajor Funds</u>	<u>Total Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.							\$ 110,035,883
Long-term note receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.							4,477,025
Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are not reported in governmental funds.							24,546,902
Other long-term assets are not available to pay for current period expenditures and therefore, are deferred in the funds.							316,053
Internal Service Funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Statement of Net Position.							(812,195)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.							(125,588,400)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds.							<u>(10,035,035)</u>
Net position of governmental activities							<u>\$ 157,440,738</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

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

	General Fund	Community Development Fund	Job Investment Fund	Public Improvement Fund	SPLOST Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:								
Property taxes	\$ 16,610,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 571,829	\$ 17,181,912
Sales taxes	12,643,630	-	-	-	-	-	-	12,643,630
Other taxes	10,962,287	-	-	-	-	-	2,493,606	13,455,893
Licenses and permits	1,676,077	-	-	-	-	-	-	1,676,077
Intergovernmental	12,142,092	1,200,021	-	-	12,154,983	11,659,660	2,445,748	39,602,504
Charges for services	573,166	923,407	-	-	-	-	1,573,756	3,070,329
Fines and forfeitures	4,259,327	-	-	-	-	-	-	4,259,327
Investment income (loss)	(458,984)	19	136,950	508,196	303,721	642,523	5,329	1,137,754
Other	583,085	1,717,042	-	-	6,459,377	915,305	47,585	9,722,394
Total revenues	<u>58,990,763</u>	<u>3,840,489</u>	<u>136,950</u>	<u>508,196</u>	<u>18,918,081</u>	<u>13,217,488</u>	<u>7,137,853</u>	<u>102,749,820</u>
Expenditures:								
Current:								
General government	14,214,151	-	-	-	-	-	-	14,214,151
Judicial	1,338,659	-	-	-	-	-	-	1,338,659
Public safety	38,689,577	-	-	-	-	-	4,220,690	42,910,267
Public works	4,688,932	-	-	-	-	-	-	4,688,932
Parks and recreation	7,548,129	-	-	-	-	-	208,152	7,756,281
Community development	-	3,029,649	-	-	-	-	2,447,880	5,477,529
Community service	577,140	-	-	-	-	-	-	577,140
Capital outlay	-	-	-	1,748,244	15,394,619	7,440,981	-	24,583,844
Debt service:				-				
Principal	-	344,000	-	-	962,945	-	320,000	1,626,945
Interest	-	16,338	-	518,442	86,868	-	19,995	641,643
Total expenditures	<u>67,056,588</u>	<u>3,389,987</u>	<u>-</u>	<u>2,266,686</u>	<u>16,444,432</u>	<u>7,440,981</u>	<u>7,216,717</u>	<u>103,815,391</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,065,825)</u>	<u>450,502</u>	<u>136,950</u>	<u>(1,758,490)</u>	<u>2,473,649</u>	<u>5,776,507</u>	<u>(78,864)</u>	<u>(1,065,571)</u>

(Continued)

CITY OF ALBANY, GEORGIA

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

	General Fund	Community Development Fund	Job Investment Fund	Public Improvement Fund	SPLOST Fund	TSPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Other financing sources (uses):								
Proceeds from sale of capital assets	\$ 145,037	\$ 158,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 303,937
Transfers in	17,148,352	201,000	-	1,945,817	-	-	281,547	19,576,716
Transfers out	(7,919,131)	-	-	(421,865)	-	-	(439,634)	(8,780,630)
Total other financing sources (uses), net	9,374,258	359,900	-	1,523,952	-	-	(158,087)	11,100,023
Net change in fund balances	1,308,433	810,402	136,950	(234,538)	2,473,649	5,776,507	(236,951)	10,034,452
Fund balances, beginning of year	36,214,020	1,656,957	24,700,778	14,079,927	39,849,253	28,729,673	(764,555)	144,466,053
Fund balances, end of year	<u>\$ 37,522,453</u>	<u>\$ 2,467,359</u>	<u>\$ 24,837,728</u>	<u>\$ 13,845,389</u>	<u>\$ 42,322,902</u>	<u>\$ 34,506,180</u>	<u>\$ (1,001,506)</u>	<u>\$ 154,500,505</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, 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	\$ 10,034,452
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 capital outlays exceeded depreciation expense in the current period.	7,302,557
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(9,248,146)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(1,136,689)
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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,620,746
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	1,376,921
Internal Service Funds are used by management to charge the costs of insurance to individual funds. The net revenue or loss of certain activities of Internal Service Funds is reported with governmental activities.	<u>1,665,718</u>
Change in net position of governmental activities	<u>\$ 11,615,559</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP) BASIS AND ACTUAL GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund				Community Development Fund				Job Investment Fund		
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues:											
Property taxes	\$ 16,640,000	\$ 16,640,000	\$ 16,610,083	\$ (29,917)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	11,418,761	11,418,761	12,643,630	1,224,869	-	-	-	-	-	-	-
Other taxes	11,805,614	11,805,614	10,962,287	(843,327)	-	-	-	-	-	-	-
Licenses and permits	1,165,104	1,165,104	1,676,077	510,973	-	-	-	-	-	-	-
Intergovernmental	12,294,616	12,294,616	12,142,092	(152,524)	3,770,151	3,770,151	1,200,021	(2,570,130)	-	-	-
Charges for services	505,449	505,449	573,166	67,717	894,700	894,700	923,407	28,707	-	-	-
Fines and forfeitures	1,531,464	1,531,464	4,259,327	2,727,863	-	-	-	-	-	-	-
Investment income (loss)	-	-	(458,984)	(458,984)	-	-	19	19	-	136,950	136,950
Other	1,041,792	3,806,519	583,085	(3,223,434)	862,214	862,214	1,717,042	854,828	-	-	-
Total revenues	56,402,800	59,167,527	58,990,763	(176,764)	5,527,065	5,527,065	3,840,489	(1,686,576)	-	136,950	136,950
Expenditures:											
Current:											
General government:											
Legislative	814,116	888,186	864,466	23,720	-	-	-	-	-	-	-
Administrative	1,434,664	1,434,664	1,209,716	224,948	-	-	-	-	-	-	-
Human resources	1,781,459	1,781,459	1,585,465	195,994	-	-	-	-	-	-	-
Procurement and materials	674,888	674,888	429,132	245,756	-	-	-	-	-	-	-
Materials management	312,648	312,648	300,469	12,179	-	-	-	-	-	-	-
Finance	3,421,922	4,659,917	4,552,420	107,497	-	-	-	-	-	-	-
Information technology	3,612,551	3,612,551	3,104,597	507,954	-	-	-	-	-	-	-
Risk management	496,501	496,501	461,684	34,817	-	-	-	-	-	-	-
Planning and development services	1,707,833	1,707,833	1,706,202	1,631	-	-	-	-	-	-	-
Total general government	14,256,582	15,568,647	14,214,151	1,354,496	-	-	-	-	-	-	-
Judicial:											
Municipal court	1,314,413	1,314,413	881,258	433,155	-	-	-	-	-	-	-
City attorney	605,705	605,705	457,401	148,304	-	-	-	-	-	-	-
Total judicial	1,920,118	1,920,118	1,338,659	581,459	-	-	-	-	-	-	-
Public safety:											
Police	20,430,720	21,583,382	20,720,701	862,681	-	-	-	-	-	-	-
Fire	16,460,999	16,610,999	16,440,877	170,122	-	-	-	-	-	-	-
Marshal division	384,465	384,465	326,636	57,829	-	-	-	-	-	-	-
SWAT Team	60,352	60,352	35,002	25,350	-	-	-	-	-	-	-
Code enforcement	1,928,225	1,928,225	1,166,361	761,864	-	-	-	-	-	-	-
Total public safety	39,264,761	40,567,423	38,689,577	1,877,846	-	-	-	-	-	-	-

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP) BASIS AND ACTUAL GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund				Community Development Fund				Job Investment Fund		
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Expenditures (Continued):											
Current (Continued):											
Public works:											
Engineering	\$ 3,957,624	\$ 3,957,624	\$ 3,589,334	\$ 368,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street maintenance	1,135,225	1,135,225	1,099,598	35,627	-	-	-	-	-	-	-
Total public works	5,092,849	5,092,849	4,688,932	403,917	-	-	-	-	-	-	-
Parks and recreation:											
Administration	793,511	793,511	786,214	7,297	-	-	-	-	-	-	-
Parks	2,876,197	2,926,197	2,836,498	89,699	-	-	-	-	-	-	-
Park development and management	3,049,912	3,149,912	3,108,291	41,621	-	-	-	-	-	-	-
Turner Golf Course	860,872	860,872	817,126	43,746	-	-	-	-	-	-	-
Total parks and recreation	7,580,492	7,730,492	7,548,129	182,363	-	-	-	-	-	-	-
Community development	-	-	-	-	6,551,352	6,551,352	3,029,649	3,521,703	-	-	-
Community service, various subsidized agencies	582,000	582,000	577,140	4,860	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	-	344,000	344,000	344,000	-	-	-	-
Interest	-	-	-	-	11,552	11,552	16,338	(4,786)	-	-	-
Total debt service	-	-	-	-	355,552	355,552	360,338	(4,786)	-	-	-
Total expenditures	68,696,802	71,461,529	67,056,588	4,404,941	6,906,904	6,906,904	3,389,987	3,516,917	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(12,294,002)	(12,294,002)	(8,065,825)	4,228,177	(1,379,839)	(1,379,839)	450,502	1,830,341	-	136,950	136,950
Other financing sources (uses):											
Proceeds from sale of capital assets	-	-	145,037	145,037	50,000	50,000	158,900	108,900	-	-	-
Appropriation of fund balance	-	-	-	-	1,128,839	1,128,839	-	(1,128,839)	-	-	-
Transfers in	17,008,718	17,008,718	17,148,352	139,634	201,000	201,000	201,000	-	-	-	-
Transfers out	(4,714,716)	(4,714,716)	(7,919,131)	(3,204,415)	-	-	-	-	-	-	-
Total other financing sources, net	12,294,002	12,294,002	9,374,258	(2,919,744)	1,379,839	1,379,839	359,900	(1,019,939)	-	-	-
Net change in fund balances	\$ -	\$ -	1,308,433	\$ 1,308,433	\$ -	\$ -	810,402	\$ 810,402	\$ -	136,950	\$ 136,950
Fund balance, beginning of year			36,214,020				1,656,957			24,700,778	
Fund balance, end of year			<u>\$ 37,522,453</u>				<u>\$ 2,467,359</u>			<u>\$ 24,837,728</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS										
CURRENT ASSETS										
Cash	\$ 10,834,944	\$ 915,779	\$ 1,157,566	\$ 4,727,805	\$ 54,342,157	\$ 2,027,006	\$ 55	\$ 3,775,430	\$ 77,780,742	\$ 2,827,561
Investments	8,433,782	1,459,584	-	1,496,448	10,185,431	5,845,518	-	3,074,228	30,494,991	14,095,071
Restricted investments	-	-	-	559,188	-	-	-	-	559,188	-
Accounts receivable, net of allowances	7,078,207	587,970	2,902,841	1,385,404	10,465,326	601,883	-	2,057,888	25,079,519	1,576,511
Leases receivable	-	-	599,318	-	-	-	-	-	599,318	-
Inventories	24,139	-	-	707,872	2,199,649	117,138	-	407,379	3,456,177	1,993,477
Due from other governments	-	-	-	-	-	-	5,671,227	-	5,671,227	-
Due from other funds	-	138,713	-	-	-	-	-	-	138,713	810,297
Total current assets	<u>26,371,072</u>	<u>3,102,046</u>	<u>4,659,725</u>	<u>8,876,717</u>	<u>77,192,563</u>	<u>8,591,545</u>	<u>5,671,282</u>	<u>9,314,925</u>	<u>143,779,875</u>	<u>21,302,917</u>
NON-CURRENT ASSETS										
Capital assets:										
Non-depreciable	6,201,371	6,214,624	14,155,774	842,494	21,544,412	25,502	7,962,105	5,008,868	61,955,150	2,417,719
Depreciable, net of accumulated depreciation	<u>54,411,654</u>	<u>16,126,330</u>	<u>40,379,861</u>	<u>17,805,246</u>	<u>18,170,011</u>	<u>4,087,412</u>	<u>15,479,137</u>	<u>11,892,472</u>	<u>178,352,123</u>	<u>11,077,877</u>
Total non-current assets	<u>60,613,025</u>	<u>22,340,954</u>	<u>54,535,635</u>	<u>18,647,740</u>	<u>39,714,423</u>	<u>4,112,914</u>	<u>23,441,242</u>	<u>16,901,340</u>	<u>240,307,273</u>	<u>13,495,596</u>
Total assets	<u>86,984,097</u>	<u>25,443,000</u>	<u>59,195,360</u>	<u>27,524,457</u>	<u>116,906,986</u>	<u>12,704,459</u>	<u>29,112,524</u>	<u>26,216,265</u>	<u>384,087,148</u>	<u>34,798,513</u>
DEFERRED OUTFLOWS OF RESOURCES										
Pensions	<u>1,495,579</u>	<u>1,087,694</u>	<u>407,885</u>	<u>849,761</u>	<u>883,751</u>	<u>509,856</u>	<u>1,019,713</u>	<u>951,732</u>	<u>7,205,971</u>	<u>5,132,555</u>
Total deferred outflows of resources	<u>1,495,579</u>	<u>1,087,694</u>	<u>407,885</u>	<u>849,761</u>	<u>883,751</u>	<u>509,856</u>	<u>1,019,713</u>	<u>951,732</u>	<u>7,205,971</u>	<u>5,132,555</u>

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
LIABILITIES										
CURRENT LIABILITIES										
Payable from current assets:										
Accounts payable	\$ 743,528	\$ 26,872	\$ 154,569	\$ 298,080	\$ 5,608,683	\$ 513,516	\$ 218,872	\$ 1,182,265	\$ 8,746,385	\$ 973,470
Retainage payable	61,424	-	-	-	-	-	-	-	61,424	-
Accrued liabilities	-	-	-	5,228	-	-	-	-	5,228	457,998
Due to other funds	-	-	55,137	-	810,297	-	4,613,373	627,009	6,105,816	2,306,326
Claims payable	-	-	-	-	-	-	-	-	-	3,266,558
Current portion - notes payable	-	-	-	81,863	-	-	-	-	81,863	-
Current portion - financed purchases from direct borrowings	-	-	-	-	3,227,000	-	-	-	3,227,000	-
Current portion - compensated absences	299,570	217,004	31,783	117,765	217,223	89,671	88,536	120,852	1,182,404	952,778
Advance payments and customer deposits	-	-	-	-	-	-	-	87,214	87,214	-
Unearned revenue	15,213,671	-	1,157,566	-	-	-	56,183	-	16,427,420	-
	<u>16,318,193</u>	<u>243,876</u>	<u>1,399,055</u>	<u>502,936</u>	<u>9,863,203</u>	<u>603,187</u>	<u>4,976,964</u>	<u>2,017,340</u>	<u>35,924,754</u>	<u>7,957,130</u>
Payable from restricted assets:										
Revenue bonds payable, current	-	-	-	505,000	-	-	-	-	505,000	-
Total current liabilities	<u>16,318,193</u>	<u>243,876</u>	<u>1,399,055</u>	<u>1,007,936</u>	<u>9,863,203</u>	<u>603,187</u>	<u>4,976,964</u>	<u>2,017,340</u>	<u>36,429,754</u>	<u>7,957,130</u>
NON-CURRENT LIABILITIES										
Revenue bonds payable, net of current portion	-	-	-	1,075,000	-	-	-	-	1,075,000	-
Financed purchases from direct borrowings, net of current portion	-	-	-	-	3,322,000	-	-	-	3,322,000	-
Compensated absences, net of current portion	31,229	24,112	2,511	13,085	24,136	9,963	9,831	13,428	128,295	105,864
Customer deposits	-	-	-	-	-	-	-	-	-	3,292,643
Notes payable, net of current portion	-	-	-	1,109,725	-	-	-	-	1,109,725	-
Net pension liability	4,836,327	3,517,328	1,318,998	2,747,912	2,857,829	1,648,747	3,297,495	3,077,662	23,302,298	16,597,391
Total non-current liabilities	<u>4,867,556</u>	<u>3,541,440</u>	<u>1,321,509</u>	<u>4,945,722</u>	<u>6,203,965</u>	<u>1,658,710</u>	<u>3,307,326</u>	<u>3,091,090</u>	<u>28,937,318</u>	<u>19,995,898</u>
Total liabilities	<u>21,185,749</u>	<u>3,785,316</u>	<u>2,720,564</u>	<u>5,953,658</u>	<u>16,067,168</u>	<u>2,261,897</u>	<u>8,284,290</u>	<u>5,108,430</u>	<u>65,367,072</u>	<u>27,953,028</u>
DEFERRED INFLOWS OF RESOURCES										
Leases	-	-	589,421	-	-	-	-	-	589,421	-
Pensions	230,729	167,804	62,926	131,097	136,340	78,657	157,316	146,827	1,111,696	791,822
Total deferred inflows of resources	<u>230,729</u>	<u>167,804</u>	<u>652,347</u>	<u>131,097</u>	<u>136,340</u>	<u>78,657</u>	<u>157,316</u>	<u>146,827</u>	<u>1,701,117</u>	<u>791,822</u>

(Continued)

CITY OF ALBANY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
NET POSITION										
Net investment in capital assets	\$ 60,551,601	\$ 22,340,954	\$ 54,535,635	\$ 15,876,152	\$ 33,165,423	\$ 4,112,914	\$ 23,441,242	\$ 16,901,340	\$ 230,925,261	\$ 13,495,596
Unrestricted (deficit)	6,511,597	236,620	1,694,699	6,413,311	68,421,806	6,760,847	(1,750,611)	5,011,400	93,299,669	(2,309,378)
Total net position	<u>\$ 67,063,198</u>	<u>\$ 22,577,574</u>	<u>\$ 56,230,334</u>	<u>\$ 22,289,463</u>	<u>\$ 101,587,229</u>	<u>\$ 10,873,761</u>	<u>\$ 21,690,631</u>	<u>\$ 21,912,740</u>	<u>324,224,930</u>	<u>\$ 11,186,218</u>
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds									10,251,038	
Net position of business-type activities									<u>\$ 334,475,968</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

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

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:										
Charges for services	\$ 17,399,644	\$ 6,021,397	\$ 1,273,084	\$ 12,040,001	\$ 91,025,609	\$ 19,643,620	\$ 416,338	\$ 18,508,183	\$ 166,327,876	\$ 39,258,313
Other	3,640,585	19,324	-	3,730	2,948,843	1,197,887	8,400	6,585,072	14,403,841	263,842
Total operating revenues	21,040,229	6,040,721	1,273,084	12,043,731	93,974,452	20,841,507	424,738	25,093,255	180,731,717	39,522,155
Operating expenses:										
Personnel costs	4,416,568	2,473,997	971,721	2,532,515	5,611,762	1,579,236	1,691,913	2,526,908	21,804,620	10,372,829
General and administrative	-	-	-	-	-	-	-	-	-	4,566,428
Supplies	364,591	115,752	34,029	1,063,284	1,848,446	230,023	10,230	160,156	3,826,511	791,151
Operating services and charges	5,776,291	1,903,769	980,387	5,722,170	65,658,250	15,752,702	1,477,660	14,749,608	112,020,837	4,625,775
Maintenance and repairs	811,523	976,446	459,180	203,748	426,215	157,723	964,422	744,788	4,744,045	743,893
Depreciation and amortization	2,767,018	1,180,213	1,716,417	2,298,468	1,891,717	385,560	1,098,277	1,200,935	12,538,605	752,617
Claims and damages	-	-	-	-	-	-	-	-	-	21,464,128
Total operating expenses	14,135,991	6,650,177	4,161,734	11,820,185	75,436,390	18,105,244	5,242,502	19,382,395	154,934,618	43,316,821
Operating income (loss)	6,904,238	(609,456)	(2,888,650)	223,546	18,538,062	2,736,263	(4,817,764)	5,710,860	25,797,099	(3,794,666)
Non-operating revenues (expenses):										
Investment income	557,069	-	3,857	15,658	847,196	25,140	-	11,108	1,460,028	57,730
Interest expense and fiscal charges	-	-	-	(98,354)	(237,784)	-	-	(3,731)	(339,869)	-
Intergovernmental - operating grants	-	-	-	-	-	-	2,140,827	-	2,140,827	-
Gain (loss) on sale of capital assets	(8,065)	9,566	(1,409)	6,167	22,157	42,980	-	6,283	77,679	171,438
Total non-operating revenues (expenses)	549,004	9,566	2,448	(76,529)	631,569	68,120	2,140,827	13,660	3,338,665	229,168
Income (loss) before capital contributions and transfers	7,453,242	(599,890)	(2,886,202)	147,017	19,169,631	2,804,383	(2,676,937)	5,724,520	29,135,764	(3,565,498)
Capital contributions:										
Intergovernmental - capital grants	-	-	6,702,410	-	-	-	2,971,848	-	9,674,258	-
Other capital contributions	490,665	1,286,809	869,807	-	3,659,427	-	6,281,883	50,939	12,639,530	5,000
Total capital contributions	490,665	1,286,809	7,572,217	-	3,659,427	-	9,253,731	50,939	22,313,788	5,000
Transfers:										
Transfers in	-	1,326,832	-	-	-	-	2,036,828	875,804	4,239,464	4,200,000
Transfers out	(2,659,265)	(623,715)	-	(1,084,473)	(11,447,814)	(1,996,680)	-	(1,423,603)	(19,235,550)	-
Total transfers	(2,659,265)	703,117	-	(1,084,473)	(11,447,814)	(1,996,680)	2,036,828	(547,799)	(14,996,086)	4,200,000
Change in net position	5,284,642	1,390,036	4,686,015	(937,456)	11,381,244	807,703	8,613,622	5,227,660	36,453,466	639,502
Net position, beginning of year	61,778,556	21,187,538	51,544,319	23,226,919	90,205,985	10,066,058	13,077,009	16,685,080		10,546,716
Net position, end of year	\$ 67,063,198	\$ 22,577,574	\$ 56,230,334	\$ 22,289,463	\$ 101,587,229	\$ 10,873,761	\$ 21,690,631	\$ 21,912,740		\$ 11,186,218
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds									(1,026,216)	
Change in net position of business-type activities:									<u>\$ 35,427,250</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

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

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts from customers	\$ 22,890,605	\$ 6,031,510	\$ (1,544,044)	\$ 12,145,523	\$ 94,507,544	\$ 21,120,667	\$ 424,738	\$ 25,028,622	\$ 180,605,165	\$ 14,369,257
Receipts from other funds	-	-	-	-	-	-	-	-	-	25,711,287
Payments to suppliers	(6,997,497)	(3,107,845)	(2,537,664)	(6,917,913)	(66,932,854)	(17,874,017)	(3,387,109)	(19,408,870)	(127,163,769)	(7,610,846)
Payments to employees	(4,230,803)	(2,654,578)	(1,223,022)	(2,760,409)	(5,584,859)	(1,750,697)	(1,787,211)	(2,422,032)	(22,413,611)	(9,799,434)
Claims paid	-	-	-	-	-	-	-	-	-	(21,920,908)
Premiums paid	-	-	-	-	-	-	-	-	-	(3,775,941)
Net cash provided by (used in) operating activities	11,662,305	269,087	(5,304,730)	2,467,201	21,989,831	1,495,953	(4,749,582)	3,197,720	31,027,785	(3,026,585)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES										
Transfers in	-	1,326,832	-	-	-	-	2,036,828	875,804	4,239,464	4,200,000
Transfers out	(2,659,265)	(623,715)	-	(1,084,473)	(11,447,814)	(1,996,680)	-	(1,423,603)	(19,235,550)	-
Operating grants received	-	-	-	-	-	-	2,140,827	-	2,140,827	-
Net cash provided by (used in) non-capital financing activities	(2,659,265)	703,117	-	(1,084,473)	(11,447,814)	(1,996,680)	4,177,655	(547,799)	(12,855,259)	4,200,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES										
Acquisition and construction of capital assets	(5,199,615)	(1,019,537)	(5,088,264)	(960,822)	(7,827,797)	(670,160)	(2,399,921)	(846,980)	(24,013,096)	(1,090,444)
Principal paid on bonds	-	-	-	(485,000)	-	-	-	-	(485,000)	-
Principal paid on notes payable	-	-	-	(80,726)	-	-	-	-	(80,726)	-
Principal paid on financed purchases from direct borrowings	-	-	-	-	(3,133,000)	-	-	-	(3,133,000)	-
Interest paid	-	-	-	(99,958)	(237,784)	-	-	(3,731)	(341,473)	-
Capital grants received	-	-	10,656,865	-	-	-	2,971,848	-	13,628,713	-
Proceeds from sale of assets	9,755	85,533	9,318	6,167	22,157	42,980	-	17,983	193,893	207,138
Net cash provided by (used in) capital and related financing activities	(5,189,860)	(934,004)	5,577,919	(1,620,339)	(11,176,424)	(627,180)	571,927	(832,728)	(14,230,689)	(883,306)
CASH FLOWS FROM INVESTING ACTIVITIES										
(Purchases) sales of investments	(3,737,768)	(892,613)	-	(1,133,235)	(4,936,889)	123,454	-	(2,822,123)	(13,399,174)	590,177
Interest on investments	557,069	-	3,857	15,658	847,196	25,140	-	11,108	1,460,028	57,730
Net cash provided by (used in) investing activities	(3,180,699)	(892,613)	3,857	(1,117,577)	(4,089,693)	148,594	-	(2,811,015)	(11,939,146)	647,907
Change in cash and cash equivalents	632,481	(854,413)	277,046	(1,355,188)	(4,724,100)	(979,313)	-	(993,822)	(7,997,309)	938,016
Cash and cash equivalents:										
Beginning of year	10,202,463	1,770,192	880,520	6,082,993	59,066,257	3,006,319	55	4,769,252	85,778,051	1,889,545
End of year	\$ 10,834,944	\$ 915,779	\$ 1,157,566	\$ 4,727,805	\$ 54,342,157	\$ 2,027,006	\$ 55	\$ 3,775,430	\$ 77,780,742	\$ 2,827,561

(Continued)

CITY OF ALBANY, GEORGIA

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

	Sanitary Sewer Fund	Stormwater Fund	Airport Fund	Water Fund	Light Fund	Gas Fund	Transit Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES										
Contributions of capital assets from outside sources	\$ -	-	\$ -	\$ -	\$ 3,659,427	\$ -	\$ -	\$ -	\$ 3,659,427	\$ -
Contributions of capital assets from governmental activities	490,665	1,286,809	869,807	-	-	-	6,281,883	50,939	8,980,103	5,000
	<u>\$ 490,665</u>	<u>\$ 1,286,809</u>	<u>\$ 869,807</u>	<u>\$ -</u>	<u>\$ 3,659,427</u>	<u>\$ -</u>	<u>\$ 6,281,883</u>	<u>\$ 50,939</u>	<u>\$ 12,639,530</u>	<u>\$ 5,000</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:										
Operating income (loss)	\$ 6,904,238	\$ (609,456)	\$ (2,888,650)	\$ 223,546	\$ 18,538,062	\$ 2,736,263	\$ (4,817,764)	\$ 5,710,860	\$ 25,797,099	\$ (3,794,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:										
Depreciation	2,767,018	1,180,213	1,716,417	2,298,468	1,891,717	385,560	1,098,277	1,200,935	12,538,605	752,617
(Increase) decrease in accounts receivable	(2,964,790)	(10,658)	(2,775,328)	101,792	533,092	279,160	-	(60,164)	(4,896,896)	313,387
Decrease in lease receivable	-	-	168,965	-	-	-	-	-	168,965	-
(Increase) decrease in inventories	4,866	-	-	(23,043)	(60,029)	9,474	-	(47,494)	(116,226)	(300,128)
Decrease in prepaid items	-	-	-	-	-	-	-	-	-	23,288
(Increase) decrease in due from other governments	-	1,447	-	-	-	-	(3,795,475)	-	(3,794,028)	-
(Increase) decrease in due from other funds	49,888	(138,713)	-	-	-	-	-	-	(88,825)	(608,746)
Increase in deferred outflows of resources - pensions	(618,423)	(367,976)	(93,008)	(264,990)	(343,963)	(149,997)	(367,469)	(389,452)	(2,595,278)	(2,096,245)
Increase (decrease) in accounts payable and other liabilities	(153,186)	34,524	(1,074,025)	147,404	322,589	(1,707,885)	110,242	(87,308)	(2,407,645)	(754,836)
Increase in retainage payable	61,424	-	-	-	-	-	-	-	61,424	-
Increase in claims payable	-	-	-	-	-	-	-	-	-	560,609
Increase (decrease) in due to other funds	(8,084)	(7,689)	(315,159)	(53,072)	737,497	(35,158)	2,737,621	(3,617,069)	(561,113)	245,002
Increase (decrease) in unearned revenues	4,815,166	-	277,046	-	-	-	-	(4,469)	5,087,743	-
Increase in net pension liability	1,544,287	816,168	137,240	553,218	831,959	298,167	849,568	967,380	5,997,987	5,201,870
Decrease in deferred inflows of resources - leases	-	-	(172,652)	-	-	-	-	-	(172,652)	-
Decrease in deferred inflows of resources - pensions	(740,099)	(628,773)	(285,576)	(516,122)	(461,093)	(319,631)	(564,582)	(475,499)	(3,991,375)	(2,568,737)
Net cash provided by (used in) operating activities	<u>\$ 11,662,305</u>	<u>\$ 269,087</u>	<u>\$ (5,304,730)</u>	<u>\$ 2,467,201</u>	<u>\$ 21,989,831</u>	<u>\$ 1,495,953</u>	<u>\$ (4,749,582)</u>	<u>\$ 3,197,720</u>	<u>\$ 31,027,785</u>	<u>\$ (3,026,585)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUND JUNE 30, 2023

ASSETS	
Cash	\$ 7,603,887
Investments at fair value:	
Equity securities	38,117,215
Government securities	5,627,260
Corporate bonds	16,111,703
Other	48,201,041
Total investments	108,057,219
Interest receivable	131,631
Total assets	115,792,737
NET POSITION	
Restricted for pension benefits	\$ 115,792,737

The notes to the financial statements are an integral part of this statement.

CITY OF ALBANY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

ADDITIONS:

Contributions:

Employer contributions	\$ 11,211,742
Employee contributions	2,779,016
Total contributions	<u>13,990,758</u>

Investment earnings:

Interest and dividends	2,863,343
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Net increase in fair value of investments	<u>5,609,198</u>
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8,472,541

Less investment expense	526,946
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Net investment income	<u>7,945,595</u>
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Total additions	21,936,353
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DEDUCTIONS:

Benefit payments	16,438,300
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Administrative expense	<u>21,967</u>
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Total deductions	<u>16,460,267</u>
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Change in net position	5,476,086
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NET POSITION, BEGINNING OF YEAR	<u>110,316,651</u>
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NET POSITION, END OF YEAR	<u>\$ 115,792,737</u>
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The notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF ALBANY, GEORGIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Albany, Georgia (the “City”) have been prepared in conformity with generally accepted accounting principles (“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.

A. The Financial Reporting Entity

The City was created by a legislative act of the State of Georgia in 1838. The City is a municipal corporation which operates under the Mayor-Commission form of government with an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire); public works; airport; civic center, municipal auditorium; transit system; recreation; parks; cemetery; animal control; emergency management; sanitary sewer; water; gas and light; stormwater; telecommunications; and solid waste.

The City is authorized to own, use and operate a system of water works, electric lights and gas works. The City, through an act of the Georgia Legislature, provides for a Utility Board (the “Board”) answerable to and directly supervised by the City Manager. The Mayor of the City of Albany has a voice in all proceedings before the Board, and has a vote in all matters and proceedings, but no veto. The Board consists of four members appointed by the City of Albany Commission from the citizens of the City of Albany. Citizen members of the Board are appointed for a term of two years.

As required by GAAP, the financial statements of the reporting entity include those of the City (the “primary government”) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational and financial relationships with the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Blended Component Units

Albany–Dougherty Inner City Authority (“ADICA”) – ADICA’s primary purpose is to provide financing for the City’s construction projects. The City Commission appoints the seven members of ADICA’s Board of Directors. Budget requests for ADICA are submitted to the Commission for approval, with the City Commission possessing authority to revise ADICA’s budget. Management of the City is responsible for operations of ADICA. Separate financial statements are not prepared for ADICA.

Albany Downtown Development Authority (“DDA”) – The DDA is charged with the responsibility of revitalizing and redeveloping the Central Business District by financing projects to promote trade, commerce, industry and employment opportunities. The City Commission appoints the seven members of the DDA’s Board of Directors and the members of the Board must be taxpayers residing in Dougherty County and at least four directors must be owners or operators of downtown businesses. A member of the County Board of Commissioners can also be appointed to serve on the DDA. The City is able to impose its will on the DDA by influencing its programs and activities and the debt of the DDA is expected to be repaid by the City. The DDA is bound on the north by Roosevelt Avenue, the western bank of the Flint River, on the south by Whitney Avenue, and on the west by Madison Street. Separate financial statements are not prepared for the DDA.

Discretely Presented Component Unit

Chehaw Park Authority (“Chehaw Park”) – Chehaw Park provides a variety of family-oriented activities including a wild animal park and other exhibits to the citizens of Albany, Georgia. The City Commission appoints all members of the Chehaw Park Board of Directors. The City provides a significant operating subsidy to Chehaw Park, primarily to finance the operations of the park. Complete financial statements for the Chehaw Park Authority can be obtained from:

Chehaw Park
105 Chehaw Park Road
Albany, Georgia 31701

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's proprietary funds and various other functions of the government. Government-wide financial statements do not provide information by fund but distinguish between the City's governmental activities and business-type activities. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the *discretely presented component unit*.

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

Separate financial statements are provided for governmental funds, 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 Financial Statement Presentation

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

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 60 days of the end of the current fiscal period with the exception of grant revenues, for which the revenue recognition period is extended to 180 days. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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 **Community Development Fund** (Special Revenue Fund) accounts for the financial resources received from the Department of Housing and Urban Development and loan programs which are restricted and committed to be used for the operations of various community development grant programs.

The **Job Investment Fund** (Special Revenue Fund) accounts for revenues received from the Municipal Electric Authority of Georgia ("MEAG") committed for expenditures related to economic development.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Public Improvement Fund** (Capital Projects Fund) accounts for construction and financing of public improvements and services from general government resources and GMA Lease activity.

The **Special Purpose Local Option Sales Tax ("SPLOST") Fund** (Capital Projects Fund) accounts for construction or acquisition of major capital facilities financed by Special Purpose Local Option Sales Tax proceeds.

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** (Capital Projects Fund) accounts for the construction and acquisition of major capital facilities financed by the Transportation Special Purpose Local Option Sales Tax proceeds.

The City reports the following major proprietary funds:

The **Sanitary Sewer Fund** accounts for the provision of sewer services to the residents of the City.

The **Stormwater Fund** accounts for the provision of stormwater services to the residents of the City.

The **Airport Fund** accounts for the construction, operations, and maintenance of the Albany-Dougherty County Airport and runways.

The **Water Fund** accounts for the water utility operations provided to the residents of the City.

The **Light Fund** accounts for the electricity operations provided to the residents of the City.

The **Gas Fund** accounts for the gas operations provided to the residents of the City.

The **Transit Fund** accounts for the transit service provided to the residents of the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City also reports the following fund types:

Special Revenue Funds account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Capital Project Funds account for resources provided for acquisition, construction or renovation of major capital facilities.

Internal Service Funds account for general liability, group health, workers' compensation claims, maintenance and long-term care of buildings and infrastructure, fleet management, and utility activities.

The ***Pension Trust Fund*** accounts for the activities of the City of Albany Pension Plan, which accumulates resources for pension benefit payments to qualified employees.

Amounts reported as *program revenues* include: 1) charges for services 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 principle operating revenues of the Enterprise Funds and Internal Service Funds are charges for goods and services provided. Operating expenses of the Enterprise Funds and Internal Service Funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are completed in March of each year.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

2. Proposed budgets are reviewed and prepared by the City Manager and the Finance Committee for submission to the Mayor and the City Commission in May.
3. Public hearings on the proposed budget are held in June. Individual amendments were not material in relation to the original appropriations.
4. The budget is legally adopted by the Mayor and City Commission in June of each year.
5. The City's budget amendment/budget transfer process is regulated by the Official Code of Georgia Annotated ("O.C.G.A.") and local policies. The legal level of budgetary control (the level at which expenditures may not exceed appropriations) for annual budgets is at the fund/department level. Any increase in appropriation in any fund or department, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the Board of Commissioners. The City Commission made no supplemental budget appropriations during the year.
6. The City's Budget Officer can approve budget transfers up to \$10,000 without the City Manager's approval, except that no transfers can be made between the salaries budget and the operations budget. Budget transfers in excess of \$10,000 must be approved by the City Manager.
7. Annual appropriated budgets are legally adopted on a basis consistent with GAAP for the General Fund and Special Revenue Funds. Sufficient budgetary control is achieved through restrictions included in the various grant agreements. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation, and evaluation purposes.
8. Revenues and expenditures of the Capital Projects Funds are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Project Funds. Encumbrances outstanding at year-end are reported as assignments of fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at the end of the year. Encumbrances are re-appropriated in the following year, except for encumbrances in the Capital Project Funds, which are continuing. Encumbrances do not represent GAAP expenditures. At June 30, 2023, there were no encumbrances outstanding.

The Tax Allocation District Fund reported deficit fund balance of \$2,440,603 at June 30, 2023. This deficit is intended to be eliminated through future tax revenues and payments in lieu of taxes ("PILOT") payments.

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. All cash and investments reported in the proprietary funds, including restricted cash and investments, meet this definition and are, therefore, considered to be cash equivalents.

F. Investments

The City only invests in repurchase agreements when collateralized by U.S. government or agency obligations.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national securities market are valued at the last reported sales price on the last business day of the City's fiscal year. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Investments (Continued)

In accordance with authorized investment laws, investments in the Pension Trust Fund consist of common stocks, mutual funds, corporate bonds, and U.S. government securities. Investments in the Pension Trust Fund are reported at fair value. Cash deposits are reported at the carrying amount which reasonably estimates fair value.

G. Inventory

Inventory in Proprietary Funds is valued at the lower of cost or market (first-in/first-out method). Inventory in the General Fund, which is valued at cost (first-in/first-out method) consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

H. Receivables/Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

I. Prepaid Items

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, dams, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, the City has elected to include infrastructure acquired or constructed prior to June 30, 1980. Governmental (general) capital assets are recorded as expenditures in the governmental funds and capitalized at cost in the government-wide statement of net position. The City's capitalization threshold is \$5,000 for all assets other than infrastructure. The capitalization threshold for infrastructure assets (roads, bridges, etc.) is \$100,000.

Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value at the date of the donation. Donated works of art and similar items, as well as capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and major improvements are capitalized as projects are constructed.

Capital assets of the primary government and component units are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	20 – 50 years
Infrastructure	15 – 50 years
Plant facilities	20 – 50 years
Equipment and vehicles	5 – 20 years

K. Leases

Lessor. The City is a lessor for noncancellable leases of various property. The City recognizes a lease receivable and deferred inflow of resources in the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Continued)

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

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

L. Compensated Absences

City employees accrue vacation in different amounts, according to whether they work 40-hour weeks or 56-hour weeks. Employees can accrue a maximum of 552 hours of vacation, depending on whether the employee works a 40-hour or 56-hour week and whether the employee is exempt or nonexempt. These days can be taken either through time off or by payment upon termination. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination if termination is by manner other than death or retirement. Maximum accumulation of sick leave is 1,008 hours.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

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

N. 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 one item that qualifies for reporting in this category other than pension and Other Post-employment Benefits ("OPEB") related items discussed below. The item, a deferred charge on refunding, is reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the 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 two items that qualify for reporting in this category other than pension and OPEB related items discussed below. The first item, an effective hedge, is reported as a deferred inflow of resources in the government-wide Statement of Net Position. The effective hedge results from the change in fair value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation. The second item, deferred inflows of resources related to leases, is discussed further in Note 4.

The City also has items related to the recording of changes in its net pension and total OPEB liabilities, which are reported in the government-wide and proprietary fund Statements of Net Position. Certain changes in the net pension and total OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability and 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 gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into plan expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability and the total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into plan expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against plan expense over a five-year period. Finally, any contribution made by the City to the pension or OPEB plan before year-end but subsequent to the measurement date of the net pension liability or total OPEB liability are reported as deferred outflows of resources and will be recognized as a reduction of the liability in the subsequent fiscal year.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance and Net Position

The difference between assets and deferred outflows and liabilities and deferred inflows is reported as fund balance in governmental funds and fund net position in business-type funds.

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 Manager 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)

O. Fund Balance and Net Position (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 is available.

P. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, deferred inflows of resources, 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.

Q. Tax Abatement Agreements

GASB Statement No. 77, *Tax Abatement Disclosures*, 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.

NOTES TO FINANCIAL STATEMENTS

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

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

The Governmental Funds Balance Sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.” The details of this difference are as follows:

Notes payable	\$ (13,254,142)
Bonds payable	(330,000)
Unamortized refunding charge	3,211
Certificates of participation	(10,000,000)
Compensated absences	(3,510,379)
Net pension liability	(63,201,987)
Other post-employment benefit obligation	(35,282,801)
Accrued interest payable	(12,302)
Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (125,588,400)</u>

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 13,120,916
Depreciation expense	<u>(5,818,359)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 7,302,557</u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.” The details of this difference are as follows:

Transfers of capital assets to business-type activities	\$ (8,985,102)
Disposals of capital assets	<u>(263,044)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (9,248,146)</u>

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.” The details of this difference are as follows:

Principal repayment - general obligation bonds	\$ 320,000
Principal repayment - notes payable	1,306,945
Amortization of loss on defeasance of bonds	<u>(6,199)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,620,746</u>

Another element of that reconciliation explains that “Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Compensated absences	\$ 574,603
Accrued interest	11,148
Change in other post-employment benefit obligation and related deferred inflows and outflows of resources	(1,059,017)
Change in net pension and related deferred inflows and outflows of resources	<u>1,850,187</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,376,921</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Credit risk – State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The City has no formal credit risk policy other than to only invest in obligations authorized by state statutes.

Interest rate risk – The City has a formal investment policy that limits investment maturities as to not exceed a portfolio average of four years to stated maturity.

Custodial credit risk (deposits) – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. At June 30, 2023, the City did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

Custodial credit risk (investments) – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

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

Investments classified in Level 1 of the fair value hierarchy are valued using the process quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued) – The City has the following recurring fair value measurements at June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
U.S. treasuries and agencies	\$ 27,766,279	\$ 79,808,751	\$ -	\$ 107,575,030
	<u>\$ 27,766,279</u>	<u>\$ 79,808,751</u>	<u>\$ -</u>	
Investments recorded at cost:				
Guaranteed Investment Contract				7,256,940
				<u>\$ 114,831,970</u>

The City's pension plan has the following recurring fair value measurements at June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
U.S. treasuries and agencies	\$ 3,508,016	\$ 2,119,244	\$ -	\$ 5,627,260
Equity securities	38,117,215	-	-	38,117,215
Mutual funds	48,201,041	-	-	48,201,041
Corporate bonds	6,565,529	9,546,174	-	16,111,703
	<u>\$ 96,391,801</u>	<u>\$ 11,665,418</u>	<u>\$ -</u>	<u>\$ 108,057,219</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2023, the City had the following investments (in thousands):

Investment Type	Fair Value	Investment Maturities (in Years)								Rating
		Less than 1	1 - 5	6 - 10	11 - 15	16 - 20	21 - 25	26 - 30	31 - 35	
Entitywide:										
Government securities	\$ 21,660	\$ 12,850	\$ 8,589	\$ -	\$ 221	\$ -	\$ -	\$ -	\$ -	AAA
Government securities	85,915	29,309	56,606	-	-	-	-	-	-	AA+
Guaranteed Inv. Contract	7,257	-	-	7,257	-	-	-	-	-	AA-
	<u>114,832</u>	<u>42,159</u>	<u>65,195</u>	<u>7,257</u>	<u>221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Pension Trust Fund:										
Government securities	3,508	-	1,867	463	-	-	1,178	-	-	AAA
Government securities	2,119	-	-	-	132	-	19	1,764	204	NR
Common stock	36,502	36,502	-	-	-	-	-	-	-	N/A
Preferred stock	1,615	1,615	-	-	-	-	-	-	-	N/A
Mutual funds	48,201	48,201	-	-	-	-	-	-	-	N/A
Corporate bonds	624	-	624	-	-	-	-	-	-	A-
Corporate bonds	1,546	-	1,546	-	-	-	-	-	-	BBB+
Corporate bonds	3,798	698	3,100	-	-	-	-	-	-	BBB
Corporate bonds	1,230	668	-	562	-	-	-	-	-	BBB-
Corporate bonds	1,025	-	1,025	-	-	-	-	-	-	BB+
Corporate bonds	114	114	-	-	-	-	-	-	-	BB
Corporate bonds	522	-	522	-	-	-	-	-	-	CCC-
Corporate bonds	7,253	103	6,305	845	-	-	-	-	-	NR
	<u>108,057</u>	<u>87,901</u>	<u>14,989</u>	<u>1,870</u>	<u>132</u>	<u>-</u>	<u>1,197</u>	<u>1,764</u>	<u>204</u>	
	<u>\$ 222,889</u>	<u>\$ 130,060</u>	<u>\$ 80,184</u>	<u>\$ 9,127</u>	<u>\$ 353</u>	<u>\$ -</u>	<u>\$ 1,197</u>	<u>\$ 1,764</u>	<u>\$ 204</u>	

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES

A. Property Taxes

Property taxes were levied on September 20, 2022 on the January 1, 2022 assessed value of all real and personal property including mobile homes and motor vehicles located within the City. Tax bills were mailed on October 17, 2022, and payable before December 20, 2022. The lien date for unpaid taxes was April 17, 2023. After that date, an interest penalty of 18% applies. Property tax revenues are recognized when levied to the extent they result in current receivables.

The City is permitted by the Municipal Finance Law of the state to levy taxes up to \$20.00 per \$1,000 of assessed valuation for general government services other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. A tax rate of 9.597 mills was levied during fiscal year 2023 for the City (mill equals \$1 per thousand dollars of assessed value).

Gross property taxes receivable at June 30, 2023 in the General Fund and the Nonmajor Governmental Funds were \$1,296,332 and \$13,754, respectively. An allowance of \$1,095,327 and \$12,996 in the General Fund and the Nonmajor Governmental Funds, respectively, has been established for taxes in dispute and taxes that will not be collected for the year ended June 30, 2023, resulting in a net receivable for property taxes of \$201,005 and \$758, respectively.

B. Sales Taxes

The City and Dougherty County jointly levy a 1% Local Option Sales Tax ("LOST"), of which the proceeds are split, 60% City and 40% Dougherty County. The proceeds are collected by the State of Georgia and remitted to the City. The tax law requires an offsetting reduction in property tax during each subsequent year of assessment equal to the amount of sales tax revenue received in the prior year. In addition, there is an additional 1% SPLOST and TSPLOST which was passed by referendums in 2004 (SPLOST V), 2010 (SPLOST VI), 2016 (SPLOST VII), and 2019 (TSPLOST). The proceeds are split 64% City and 36% Dougherty County for SPLOST and 67% City and 33% Dougherty County for TSPLOST. The proceeds from these sales tax programs are used to finance various capital projects. The City administers its own programs. LOST, SPLOST and TSPLOST taxes due from other governments at June 30, 2023, were \$1,126,346, \$1,986,970 and \$1,042,693, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

C. Accounts Receivable

Accounts receivable of the primary government consisted of the following at June 30, 2023:

	General Fund	Community Development Fund	Nonmajor Governmental Funds	Sanitary Sewer Fund	Stormwater Fund	Airport Fund
Gross receivables	\$ 1,580,057	\$ 76,601	\$ 289,034	\$ 7,827,635	\$ 821,154	\$ 2,902,841
Less allowance for doubtful accounts	(1,136)	-	(37,691)	(749,428)	(233,184)	-
Net receivables	<u>\$ 1,578,921</u>	<u>\$ 76,601</u>	<u>\$ 251,343</u>	<u>\$ 7,078,207</u>	<u>\$ 587,970</u>	<u>\$ 2,902,841</u>
	Water Fund	Light Fund	Gas Fund	Nonmajor Business-type Funds	Internal Service Funds	
Gross receivables	\$ 2,043,401	\$ 13,531,778	\$ 875,684	\$ 3,041,263	\$ 2,410,590	
Less allowance for doubtful accounts	(657,997)	(3,066,452)	(273,801)	(983,375)	(834,079)	
Net receivables	<u>\$ 1,385,404</u>	<u>\$ 10,465,326</u>	<u>\$ 601,883</u>	<u>\$ 2,057,888</u>	<u>\$ 1,576,511</u>	

D. Notes Receivable

Notes receivable of the primary government consist of community development loans to individuals and businesses, where financing has been provided by various federal and state grants. Notes receivable in the Job Investment Fund consist of loans to businesses as incentives to revitalize the downtown area of the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

E. Leases Receivable

The City is the lessor for various property as noted in Note 1. For the year ended June 30, 2023, the City recognized \$172,653 in lease revenue and \$3,687 in interest revenue. As of June 30, 2023, the City's receivable for lease payments was \$599,318. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$589,421.

NOTE 5. CAPITAL ASSETS

The City's capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 15,617,807	\$ -	\$ -	\$ -	\$ 15,617,807
Construction in progress	13,536,665	1,747,624	-	(4,155,811)	11,128,478
Total assets not depreciated	29,154,472	1,747,624	-	(4,155,811)	26,746,285
Capital assets being depreciated:					
Buildings and improvements	72,324,866	8,501,811	(134,798)	(8,247,045)	72,444,834
Equipment and vehicles	42,108,367	2,370,079	(923,910)	757,472	44,312,008
Infrastructure	90,985,831	535,635	-	2,649,048	94,170,514
Total assets depreciated	205,419,064	11,407,525	(1,058,708)	(4,840,525)	210,927,356
Accumulated depreciation:					
Buildings and improvements	(38,461,289)	(2,214,354)	15,142	-	(40,660,501)
Equipment and vehicles	(22,865,436)	(2,527,283)	780,522	11,234	(24,600,963)
Infrastructure	(61,295,673)	(1,080,621)	-	-	(62,376,294)
Total accumulated depreciation	(122,622,398)	(5,822,258)	795,664	11,234	(127,637,758)
Total assets depreciated, net	82,796,666	5,585,267	(263,044)	(4,829,291)	83,289,598
Governmental activities capital assets, net	\$ 111,951,138	\$ 7,332,891	\$ (263,044)	\$ (8,985,102)	\$ 110,035,883

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 14,294,298	\$ -	\$ -	\$ -	\$ 14,294,298
Construction in progress	29,222,234	19,567,190	-	(506,238)	48,283,186
Total assets not depreciated	43,516,532	19,567,190	-	(506,238)	62,577,484
Capital assets being depreciated:					
Buildings and improvements	174,397,316	236,484	-	7,454,512	182,088,312
Equipment and vehicles	72,570,931	7,008,849	(2,459,162)	131,588	77,252,206
Infrastructure	178,327,024	1,312,320	-	1,916,474	181,555,818
Total assets depreciated	425,295,271	8,557,653	(2,459,162)	9,502,574	440,896,336
Accumulated depreciation:					
Buildings and improvements	(89,193,668)	(3,818,491)	-	(1,318)	(93,013,477)
Equipment and vehicles	(49,875,639)	(3,782,213)	2,312,568	(11,234)	(51,356,518)
Infrastructure	(101,444,199)	(5,686,619)	-	1,318	(107,129,500)
Total accumulated depreciation	(240,513,506)	(13,287,323)	2,312,568	(11,234)	(251,499,495)
Total assets depreciated, net	184,781,765	(4,729,670)	(146,594)	9,491,340	189,396,841
Business-type activities capital assets, net	\$ 228,298,297	\$ 14,837,520	\$ (146,594)	\$ 8,985,102	\$ 251,974,325

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	\$ 855,621
Public safety	2,166,827
Public works	1,404,452
Culture and recreation	950,970
Community development	444,388
Total depreciation expense - governmental activities	<u>\$ 5,822,258</u>

Business-type activities:

Sanitary sewer	\$ 2,767,018
Stormwater	1,180,213
Airport	1,716,417
Water	2,298,468
Light	1,891,717
Gas	385,560
Transit	1,098,277
Civic Center	485,417
Solid waste	238,341
Telecommunication	477,177
Utility Internal Service Fund	531,448
Fleet Management Fund	217,270
Total depreciation expense - business-type activities	<u>\$ 13,287,323</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT

The following is a summary of long-term debt activity for the fiscal year ended June 30, 2023:

	Balance, June 30, 2022	Additions	Reductions	Balance, June 30, 2023	Due Within One Year
Governmental activities					
General obligation bonds	\$ 650,000	\$ -	\$ 320,000	\$ 330,000	\$ 330,000
Notes payable	756,000	-	344,000	412,000	344,000
Notes from direct borrowings	13,805,087	-	962,945	12,842,142	969,223
Certificates of participation	10,000,000	-	-	10,000,000	-
OPEB liability	40,083,453	2,093,669	6,894,321	35,282,801	-
Compensated absences	4,084,982	2,889,444	3,464,047	3,510,379	3,159,340
Net pension liability	47,185,902	21,781,270	5,765,185	63,201,987	-
Governmental activity long-term liabilities	<u>\$ 116,565,424</u>	<u>\$ 26,764,383</u>	<u>\$ 17,750,498</u>	<u>\$ 125,579,309</u>	<u>\$ 4,802,563</u>
Business-type activities					
Revenue bonds	\$ 2,065,000	\$ -	\$ 485,000	\$ 1,580,000	\$ 505,000
Financed purchases from direct borrowings	9,682,000	-	3,133,000	6,549,000	3,227,000
Notes from direct borrowings	1,272,314	-	80,726	1,191,588	81,863
Compensated absences	2,279,112	2,141,236	2,051,007	2,369,341	2,135,182
Net pension liability	28,615,421	13,712,730	2,538,378	39,789,773	-
Business-type activity long-term liabilities	<u>\$ 43,913,847</u>	<u>\$ 15,853,966</u>	<u>\$ 8,288,111</u>	<u>\$ 51,479,702</u>	<u>\$ 5,949,045</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

The government-wide Statement of Net Position includes \$505,000 of bonds payable due within one year for business-type activities in liabilities payable from restricted assets. The remaining amount of \$1,075,000 is displayed as bonds payable, due in more than one year, on that same statement.

For governmental activities, compensated absences are liquidated by the General, Computer Aided Dispatch, Community Development and Grant Funds. For governmental activities, the net pension liability and other post-employment benefit obligations are liquidated by the General Fund.

For business-type activities, compensated absences and the net pension liability are liquidated by the Water, Gas, Stormwater, Telecommunications, Light, Solid Waste, Transit, Sanitary Sewer, and Airport Funds.

A. Governmental Activities

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. These bonds are direct and general obligations of the City either directly or through leases and/or intergovernmental agreements with ADICA. General obligation bonds have been issued for general government activities and are reported in the governmental column of the government-wide statements. The outstanding issue was as follows:

	<u>Interest Rates</u>	<u>Balance June 30, 2023</u>
2012 ADICA Refunding Revenue Issue	2.00% - 3.125%	<u>\$ 330,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

General Obligation Bonds (Continued)

During the fiscal year ended June 30, 2012, the City issued bonds through ADICA in the amount of \$3,440,000. The bonds bear interest ranging from 2.00% to 3.125% with final maturity in 2024.

The proceeds from the sale of the bonds were used for the purpose of: i) refunding all of the outstanding ADICA Revenue Bonds, Series 2009, ii) the cost of acquiring, constructing, developing, and equipping various capital outlay projects located within the City, and iii) paying all or a portion of the costs of issuance of the bonds.

The bonds are limited obligations of ADICA, payable solely from payments to be made by the City pursuant to an intergovernmental contract between ADICA and the City. The City's obligation under the contract to make payments to ADICA, at times and in amounts sufficient to enable ADICA to pay the principal of and interest on the bonds, is absolute and unconditional, is secured by a pledge of the City's full faith and credit and taxing powers and will not expire so long as any of the bonds remain outstanding and unpaid. The City intends to make its payments under the contract from the General Fund of the City and, to the extent such funds are insufficient, will levy an ad valorem tax on all property in the City subject to such tax in order to make such payments to ADICA; provided, however, that the tax for such purpose does not exceed three mills per dollar upon the assessed value of the taxable property of the City.

The difference between the requisition price and the net carrying amount of the old debt amounted to \$181,366. The advance refunding charge was deferred and is being amortized over the shorter life of the new debt as a component of interest expense. At June 30, 2023, the unamortized balance was \$3,211.

The ADICA Series 2012 bonds maturing on or after March 1, 2016 may be redeemed prior to maturity, at ADICA's option in whole or in part on or after March 1, 2015, at a redemption price equal to the outstanding principal amount of the bonds to be redeemed plus accrued interest thereon to the date of redemption.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

General Obligation Bonds (Continued)

General obligation bonds debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 330,000	\$ 10,313	\$ 340,313

Notes Payable

The U.S. Department of Housing and Urban Development (“HUD”) has issued to the City, a Section 108 Guaranteed Loan for the purpose of providing subordinated debt financing for the development of the Albany Hilton Garden Inn Hotel and Conference Center. The City’s Section 108 Guaranteed Loan outstanding at June 30, 2023 is as follows:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2023</u>
HUD Section 108 Loan, B-02-MC-13-0001	\$ 5,500,000	2.00% – 5.00%	\$ 412,000
Total			<u>\$ 412,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Notes Payable (Continued)

Notes payable debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 344,000	8,209	\$ 352,209
2025	68,000	-	68,000
	<u>\$ 412,000</u>	<u>\$ 8,209</u>	<u>\$ 420,209</u>

Notes from Direct Borrowings

In March 2018, the City entered into an agreement with the Georgia Environmental Finance Authority ("GEFA") to finance a project to rehabilitate the west side and east side interceptor sewers and related appurtenances in the amount of \$15,000,000. The loan has an interest rate of .65%. Payments of \$87,484 are made each month beginning April 1, 2021 through March 1, 2036. As of June 30, 2023, the outstanding balance was \$12,842,142.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Notes from Direct Borrowings (Continued)

Debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 969,223	\$ 80,590	\$ 1,049,813
2025	975,542	74,271	1,049,813
2026	981,902	67,911	1,049,813
2027	988,303	61,510	1,049,813
2028	994,746	55,067	1,049,813
2029 – 2033	5,071,857	177,206	5,249,063
2034 – 2036	2,860,569	26,417	2,886,986
	<u>\$ 12,842,142</u>	<u>\$ 542,972</u>	<u>\$ 13,385,114</u>

Certificates of Participation

In June 1998, the City entered into a lease pool agreement with the Georgia Municipal Association (the "GMA"). The funding of the lease pool was provided by the issuance of \$150,126,000 certificates of participation by the GMA. The GMA passed the net proceeds through to the participating municipalities with the City's participation totaling \$10,000,000. The lease pool agreement with the GMA provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the certificates of participation. The principal is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment to lease equipment from the GMA. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA certificates of participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Certificates of Participation (Continued)

Annual debt service requirements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ 475,000	\$ 475,000
2025	-	475,000	475,000
2026	-	475,000	475,000
2027	-	475,000	475,000
2028	10,000,000	-	10,000,000
	<u>\$ 10,000,000</u>	<u>\$ 1,900,000</u>	<u>\$ 11,900,000</u>

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay: i) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association ("SIFMA") Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such contract, less the amount originally deposited in the Reserve Fund relating to the contract, and ii) a one-time swap premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the contract, and related distributions of interest on the certificates.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Certificates of Participation (Continued)

Monthly interest payments between the City, the holders of the certificates of participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At June 30, 2023, the floating rate being paid by the City is 4.01%, and the fair value of this agreement was \$623,503, a decrease of \$481,852 from the fair value at the end of the previous fiscal year. The fair value of the hedge was determined using settlement prices at the end of the day on June 30, 2023 based on the derivative contract.

This fair value is reported as an asset in the Statement of Net Position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year-end) is deferred and reported as deferred revenue in the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Business-type Activities

Revenue Bonds

The City also issues revenue bonds where the City pledges sanitary sewer and water revenues derived from acquired or constructed assets to pay for operations of the related activity and debt service. These revenues are pledged to satisfy the debt service of the related obligation for the length of the outstanding balance. Revenue bonds have been issued for business-type activities and are reported in the business-type column of the government-wide statements. Principal and interest are payable from enterprise fund revenue. Revenue bonds outstanding at June 30, 2023 are as follows:

	<u>Interest Rates</u>	<u>Balance June 30, 2023</u>
2005 Water Revenue Bonds	3.97%	\$ 1,580,000

\$6,410,000 Water Revenue Bonds, Series 2005

During the year ended June 30, 2006, the City and Commission issued \$6,410,000 of tax-exempt Water Revenue Bonds, Series 2005 (Series 2005 Bonds). The proceeds from the bonds were used to advance refund the City and Commission's Series 2000 water revenue bonds. The bonds are limited obligations of the City and the Commission and are payable solely from the net revenues of the Water System.

The Series 2005 Bonds maturing on December 1, 2025 and thereafter are subject to redemption prior to maturity, at the option of the City and the Commission, on or after December 1, 2024, in whole or in part (in any order of maturity and by lot within a maturity) at any time, at a price of par plus accrued interest to the redemption date.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Business-type Activities (Continued)

Revenue Bonds (Continued)

Annual debt service requirements to maturity for revenue bonds are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 505,000	\$ 52,702	\$ 557,702
2025	525,000	32,256	557,256
2026	550,000	10,918	560,918
	<u>\$ 1,580,000</u>	<u>\$ 95,876</u>	<u>\$ 1,675,876</u>

Financed Purchase from Direct Borrowing

In December 2018, the City entered into a financed purchase agreement in the amount of \$18,300,000 to finance the purchase of advanced meter infrastructure equipment for the utility system. Annual principal and interest payments began December 1, 2019 and are required until maturity on December 1, 2024 at an interest rate of \$2.93%. Interest only payments are due June 1st of each year.

Future minimum payments on the financed purchase agreement as of June 30, 2023 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 3,227,000	\$ 144,610	\$ 3,371,610
2025	3,322,000	48,667	3,370,667
	<u>\$ 6,549,000</u>	<u>\$ 193,277</u>	<u>\$ 6,742,277</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. Business-type Activities (Continued)

Note from Direct Borrowing

In October 2016, the City entered into an agreement with the GEFA to finance improvements to Water Tank #12 in the amount of \$1,709,026. The loan has an interest rate of 1.40%. Payments of \$8,168 are made each month beginning November 1, 2016 through October 1, 2036. As of June 30, 2023, the outstanding principal balance was \$1,191,588. This GEFA loan was for the Water Tank #12, not the sewer lines (which were described in the other direct borrowings in the amount of \$15 million).

Future minimum payments on the GEFA loan as of June 30, 2023 are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 81,863	\$ 16,158	\$ 98,021
2025	83,017	15,005	98,022
2026	84,186	13,835	98,021
2027	85,373	12,649	98,022
2028	86,576	11,446	98,022
2029 – 2033	451,523	38,584	490,107
2034 – 2037	319,050	7,688	326,738
	<u>\$ 1,191,588</u>	<u>\$ 115,365</u>	<u>\$ 1,306,953</u>

C. Blended Component Unit – Albany Dougherty Inner City Authority (“ADICA”)

Conduit Debt

From time to time, ADICA has issued revenue bonds to provide financial assistance to both private and public sector entities for the acquisition and construction of commercial facilities deemed to be of public interest. ADICA is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Four series of bond issuances have occurred from November 1, 2003 to June 30, 2021, totaling \$75,346,505. The total amount of bonds outstanding at June 30, 2023 was \$61,874,520.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2023 was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Community Development Fund	\$ 87,369
	Public Improvement Fund	5,000,000
General Fund	SPLOST Fund	25,000
General Fund	Nonmajor Governmental Funds	1,794,732
General Fund	Airport	55,137
General Fund	Transit	4,613,373
General Fund	Nonmajor Enterprise Funds	627,009
General Fund	Internal Service Fund - Public Employees' Deposit	1,984,563
General Fund	Internal Service Fund - Fleet Management	321,763
Job Investment Fund	Nonmajor Governmental Funds	76,091
Stormwater Fund	SPLOST Fund	138,713
Internal Service Fund - Utility	Light Fund	810,297
		<u>\$ 15,534,047</u>

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
Job Investment Fund	Nonmajor Governmental Funds	\$ 1,616,333
General Fund	Nonmajor Governmental Funds	593,597
		<u>\$ 2,209,930</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The outstanding balances between funds result mainly from the time-lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. Advances to/from other funds represent amounts not expected to be repaid within one year from the date of the financial statements.

The composition of interfund transfers during the fiscal year ended June 30, 2023 were as follows:

Transfers Out	Transfers In								Total
	General Fund	Community Development Fund	Public Improvement Fund	Nonmajor Governmental Funds	Stormwater Fund	Transit Fund	Nonmajor Enterprise Fund	Internal Service Funds	
General Fund	\$ -	\$ 201,000	\$ 1,945,817	\$ 281,547	\$ -	\$ 1,614,963	\$ 875,804	\$ 3,000,000	\$ 7,919,131
Public Improvement Fund	-	-	-	-	-	421,865	-	-	421,865
Nonmajor Governmental Funds	439,634	-	-	-	-	-	-	-	439,634
Sanitary Sewer Fund	1,332,433	-	-	-	1,326,832	-	-	-	2,659,265
Water Fund	1,084,473	-	-	-	-	-	-	-	1,084,473
Light Fund	10,247,814	-	-	-	-	-	-	1,200,000	11,447,814
Gas Fund	1,996,680	-	-	-	-	-	-	-	1,996,680
Stormwater Fund	623,715	-	-	-	-	-	-	-	623,715
Nonmajor Enterprise Funds	1,423,603	-	-	-	-	-	-	-	1,423,603
Total	<u>\$ 17,148,352</u>	<u>\$ 201,000</u>	<u>\$ 1,945,817</u>	<u>\$ 281,547</u>	<u>\$ 1,326,832</u>	<u>\$ 2,036,828</u>	<u>\$ 875,804</u>	<u>\$ 4,200,000</u>	<u>\$ 28,016,180</u>

Interfund transfers are used to: 1) move revenues from the fund that statute or budget requires to collect 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 8. RETIREMENT PLANS

A. Defined Contribution Plan

The City maintains a defined contribution pension plan, the City of Albany Retirement Savings Plan (the "Savings Plan"), which was established by the City on January 1, 1998 to provide reasonable retirement security for its "Senior Management Employees". The Savings Plan is administered by Nationwide Retirement Solutions. At June 30, 2023, there were 16 active participants. The City is required to contribute 12% of each Savings Plan participant's compensation. Savings Plan participants may contribute 5% of their compensation. Savings Plan provisions and contribution requirements are established by and may be amended by the City of Albany Board of Commissioners. For the year ended June 30, 2023, the City contributed \$222,323 and there were no employee contributions.

B. Defined Benefit Plan

Plan Description

The City maintains a single-employer defined benefit pension plan, the City of Albany Pension Plan (the "Plan"). The funding methods and determination of benefits payable were established by the legislative acts creating the Plans, as amended, and in general, provide that pension funds are to be accumulated from City contributions and income from the investment of accumulated funds. The Plan is administered by a Board of Trustees, which includes the Mayor, the Chief Financial Officer, two members appointed by the Board of Commissioners, four members elected from active and retired employees, and two members selected from the metropolitan Albany area. Separate financial statements are not issued for the Plan.

Individuals who were employed by the City prior to January 1, 1982, and who elected to remain in the Plan as then constituted are covered under the "Old Plan Rules". All employees hired on or after January 1, 1982, are covered by the provisions of the "New Plan Rules". The Plan provides pension, death and disability benefits.

Under the "Old Plan Rules", members may normally retire after obtaining 25 years of service or age 65 with at least five years of service. Early retirement is possible if the member is within five years of his or her normal retirement date and has completed at least five years of service. For employees hired after April 1, 2010, the five years of service is replaced with ten years of service. Benefits are calculated at 1.75% of the member's average monthly salary multiplied by the employee's years of service at normal retirement date. Additionally, the members received a 1.50% per year cost-of-living increase in their pensions each year through June 30, 2012.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Plan Description (Continued)

The Plan has been amended to discontinue the automatic annual post-retirement cost-of-living adjustment payment for all future and current retirees in the Plan. The change was effective for benefit payments commencing July 1, 2012. The Board may, in its discretion, grant ad hoc increases in the future if specific funding parameters are met.

The average monthly salary is defined as the sum of the participants' reported total compensation in the three years of employment out of the last five years of employment that produced the highest average, divided by 36. Unless a joint and survivor annuity option is elected by the member, the pension benefits will continue for the lifetime of the member with no residual payments to any beneficiaries. For early retirement, the pension payment is reduced by 5% for each year early retirement precedes normal retirement. Vesting changes from 100% after ten years to 50% after five years, increasing 10% per year to 100% after ten years of participation.

Under the "New Plan Rules", members may retire after obtaining 30 years of service or the attainment of age 60 with five years of service. Early retirement is possible if members are within five years of their normal retirement date and have completed at least five years of service. For employees hired after April 1, 2010, the five years of service is replaced with ten years of service. Benefits are calculated in the same manner as under the Old Plan, but at 1.5%. Additionally, the members can receive a cost-of-living increase, subject to Pension Board approval. All other provisions of the Old Plan are applicable to the New Plan. All modifications to the Plan must be supported by actuarial analysis and must be adopted by at least five members of the Board of Trustees.

Participant Data

Membership in the Plan as of July 1, 2021, the most recent actuarial valuation date, is as follows:

Inactive plan members (or beneficiary) currently receiving benefits	991
Inactive plan members entitled to but not yet receiving benefits	190
Active plan members	905
Total membership	<u>2,086</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Summary of Significant Accounting Policies

The financial statements of the Plan are prepared on the accrual basis of accounting. Contributions from the employers are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investment income is recognized by the Plan when earned. Gains and losses on sales and exchanges are recognized on the trade date.

There are no investments in, loans to, or leases with parties related to the Plan.

Contribution Requirements

The City's funding policy is to contribute a percentage of covered employee payroll as developed in the actuarial valuation for the Plan. O.C.G.A. §47-20 sets forth the funding standards for state and local government pension plans. Effective July 1, 2007, employees were required to make contributions to the Plan as follows: General Employees – 4% of annual covered payroll; Public Safety Employees – 7% of annual covered payroll. The City is required to contribute the remaining amounts necessary to finance the coverage of their employees through periodic contributions at actuarially determined rates. The actuarial determined contribution amount is the sum of the annual normal cost (determined under the entry age normal method) and the amortization of the unfunded actuarial accrued liability as a level percentage of future payroll. Effective July 1, 2019, the City made contributions to the Plan as follows: General Employees – 15% of annual covered payroll; Public Safety Employees – 12% of annual covered payroll. Administrative costs of the Plan are financed through investment income. Actual contributions to the Plan were \$13,990,758.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Contribution Requirements (Continued)

The Statement of Fiduciary Net Position for the Employee Pension Trust Plan for the year ended June 30, 2023 is presented below.

	Employee Pension Trust
ASSETS	
Cash	\$ 7,603,887
Investments:	
Equity securities	38,117,215
Government securities	5,627,260
Corporate bonds	16,111,703
Other	48,201,041
Interest receivable	131,631
Total assets	115,792,737
NET POSITION	
Restricted for pension benefits	\$ 115,792,737

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Contribution Requirements (Continued)

The Statement of Changes in Fiduciary Net Position for the Employee Pension Trust Plan for the year ended June 30, 2023 is presented below.

	Employee Pension Trust
ADDITIONS	
Contributions:	
Employer	\$ 11,211,742
Employee	2,779,016
Total contributions	13,990,758
Investment earnings:	
Interest and dividends	2,863,343
Net increase in fair value of investments	5,609,198
	8,472,541
Less investment expense	526,946
Net investment income	7,945,595
Total additions	21,936,353
DEDUCTIONS	
Benefits payments	16,438,300
Administrative expenses	21,967
Total deductions	16,460,267
Change in net position	5,476,086
NET POSITION, BEGINNING OF YEAR	110,316,651
NET POSITION, END OF YEAR	\$ 115,792,737

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Net Pension Liability

The total pension liability was determined by an actuarial valuation as of July 1, 2021.

Actuarial assumptions – The following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases, including inflation	3.25%, including inflation
Investment rate of return	7.00%, net of investment expense, including inflation

Mortality rates were based on the GMA-1994 Mortality Table for Annuitants and beneficiaries of Annuitants, set forward two years for males and females for the period after service retirement. For disabled annuitants, mortality rates were based on the RP-2000 Mortality Table set forward three years for males and females.

Long-term expected rate of return – The long-term expected rate of return on Plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Net Pension Liability (Continued)

Long-term expected rate of return (Continued) – The target asset allocation and most recent best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Growth Equity Managers	14.5%	6.9%
Core Equity Managers	14.5%	6.6%
Value Equity Managers	14.5%	6.5%
International Equity Managers	11.5%	6.7%
Convertible Securities	22.5%	4.3%
Investment Grade Fixed Income	22.5%	1.3%
Total	<u>100.0%</u>	

Discount rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that both the City's and the plan member contributions will be made at the current contribution rates. Projected future benefit payments for all current plan members were projected through the year 2114. Based on those assumptions, the fiduciary net position of the City's pension plan was projected to be sufficient in all future years 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 periods of projected benefit payments to determine the total pension liability and a municipal bond rate was not used in determining the discount rate.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Net Pension Liability (Continued)

Sensitivity of the net pension liability to changes in the discount rate – The following table presents the net pension liability of the Plan, calculated using the discount rate of 7.00%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's Net Pension Liability	\$ 125,332,770	\$ 102,991,760	\$ 83,950,147

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 July 1, 2022, and the current sharing pattern of costs between employer and employee.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Net Pension Liability (Continued)

Changes in the net pension liability of the City – The changes in the components of the net pension liability of the City for the year ended June 30, 2023 were as follows:

	Total Pension Liability ("TPL")	Fiduciary Net Position ("FNP")	Net Pension Liability ("NPL")
Balances at July 1, 2022	\$ 211,727,713	\$ 135,926,390	\$ 75,801,323
Changes for the year:			
Service cost	3,091,916	-	3,091,916
Interest	14,268,637	-	14,268,637
Difference between expected and actual experience	-	-	-
Assumption changes	-	-	-
Contributions - employer	-	5,950,521	(5,950,521)
Contributions - employee	-	2,353,034	(2,353,034)
Net investment income	-	(18,082,122)	18,082,122
Benefit payments, including refunds of employee contributions	(15,779,855)	(15,779,855)	-
Administrative expense	-	(51,317)	51,317
Net changes	1,580,698	(25,609,739)	27,190,437
Balances at June 30, 2023	\$ 213,308,411	\$ 110,316,651	\$ 102,991,760

The plan's fiduciary net position as a percentage of the total pension liability

51.72%

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

Net Pension Liability (Continued)

Changes in the net pension liability of the City (Continued) – 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 the Plan's assets is increasing or decreasing over time relative to the total pension liability.

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

For the year ended June 30, 2023, the City recognized pension expense of \$8,867,693. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 11,142,422	\$ -
Changes of assumptions	7,898,425	-
Difference in projected and actual experience	1,596,446	4,913,490
City contributions subsequent to the measurement date	11,211,742	-
Total	<u>\$ 31,849,035</u>	<u>\$ 4,913,490</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan (Continued)

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

City contributions subsequent to the measurement date for the Plan are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the City's fiscal year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 2,876,604
2025	4,225,043
2026	3,155,455
2027	5,466,701
Total	<u>\$ 15,723,803</u>

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

The City has active construction projects as of June 30, 2023. The projects include street construction and resurfacing, building renovations, and street light upgrades. As of June 30, 2023, the City has contractual commitments on uncompleted construction contracts of approximately \$23,722,000.

The City is involved in a number of legal matters, which either have or could result in litigation. The nature of the lawsuits varies considerably. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be estimated.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

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

As of June 30, 2023, the City is obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by MEAG. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, the participants have guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$52,034,688 in 2023.

At June 30, 2023, the outstanding debt of MEAG was approximately \$8.2 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$468 million at June 30, 2023.

NOTE 10. 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; and natural disasters. It is the policy of the City not to purchase commercial insurance for the risks of losses to which it is exposed for long-term disability claims. The City does purchase commercial insurance for claims in excess of coverage provided by its self-insurance for risks of losses to which it is exposed for workers' compensation and group accident, health, dental and major medical coverage. Settled claims in the past three years have not exceeded the coverages.

The Workers' Compensation Fund (an Internal Service Fund) was established to account for and finance uninsured risks of loss for workers' compensation. This fund provides coverage for up to a maximum claim of \$400,000. The City purchases commercial coinsurance for claims in excess of coverage provided by the fund and for all other risks of loss up to \$3,000,000. Unpaid claims are expected to be paid within one year, therefore, considered current obligations of the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RISK MANAGEMENT (CONTINUED)

Changes in the balances of workers' compensation claims liabilities during the past two years are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Unpaid claims, beginning of year	\$ 315,695	\$ 192,325
Incurred claims and changes in estimates	1,716,181	1,630,047
Claim payments	<u>(1,545,500)</u>	<u>(1,506,677)</u>
Unpaid claims, end of year	<u>\$ 486,376</u>	<u>\$ 315,695</u>

The Public Employees' Group Health Fund (an Internal Service Fund) was established to account for and finance its uninsured risks of loss for group health and major medical insurance. Participants include the primary government. The Public Employees' Group Health Fund provides coverage for up to a maximum claim of \$200,000. The City purchases commercial coinsurance for claims in excess of coverage provided by this fund and for all other risks of loss. Unpaid claims are expected to be paid within one year and, therefore, the entire balance is considered a current liability.

Changes in the balances of the group health and major medical claims liabilities during the past two years are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Unpaid claims, beginning of year	\$ 1,197,754	\$ 1,208,242
Incurred claims and changes in estimates	16,401,106	15,369,414
Claim payments	<u>(16,217,678)</u>	<u>(15,379,902)</u>
Unpaid claims, end of year	<u>\$ 1,381,182</u>	<u>\$ 1,197,754</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RISK MANAGEMENT (CONTINUED)

The City is accounting for and financing its uninsured risks of loss for all claims liability for which the City is exposed through the Self-Administered Insurance Fund (an Internal Service Fund). Changes in the balances of the claims liability during the past two years are as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Unpaid claims, beginning of year	\$ 1,192,500	\$ 1,828,500
Incurred claims and changes in estimates	4,000,296	4,627,556
Claim payments	(3,793,796)	(5,263,556)
Unpaid claims, end of year	<u>\$ 1,399,000</u>	<u>\$ 1,192,500</u>

Operations are charged for estimated claims as incurred for medical insurance. Estimated losses on claims of other self-insurance are charged to expense in the period the loss is determinable. The City does not currently utilize an actuary in estimating claims in the areas of general liability or long-term disability. Actual estimates for incurred but not reported claims are recorded as expenses in the Public Employees' Group Health Fund, Self-Administered Insurance Fund, and Workers' Compensation Fund. These are the only areas in which the City feels claims can be reasonably estimated. Unpaid claims are expected to be paid within one year, therefore, considered current obligations of the City.

NOTE 11. RELATED ORGANIZATION

The City's governing board is responsible for all of the Board appointments of the Albany Housing Authority. However, the City has no further accountability for this organization.

NOTE 12. HOTEL/MOTEL LODGING TAX

The City has levied an 8% lodging tax. The City allocates funding to the Convention and Visitors Bureau for the use of promotion of the City. For the fiscal year ended June 30, 2023, \$2,493,606 of hotel/motel tax was collected, and \$2,027,001, was remitted to the Convention and Visitors Bureau.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the eight-county west central Georgia area, is a member of the Southwest Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended June 30, 2023, the City paid \$42,466 in such dues. Membership in an 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:

Southwest Georgia Regional Commission
P. O. Box 346
Camilla, Georgia 31730

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City maintains a single employer defined benefit other post-employment benefit plan. The City of Albany Other Post-Employment Benefits Plan (the "OPEB Plan"), which includes retirees from the City, is administered by a Board of Trustees, which includes the Mayor, the Chief Financial Officer, two members appointed by the Board of Commissioners, four members elected from active and retired employees, and two members selected from the metropolitan Albany area. In accordance with a City ordinance, the City's personnel policy provides that all employees who retire under early, normal or disability retirement provisions are eligible for confirmed healthcare benefits provided by the City. A separate, audited GAAP-basis post-employment benefit plan report is not available for the OPEB Plan.

Retirees under age 65 participate in the self-insured, Pre-65 Retiree Plan. Retirees pay 50% of the rate which is set by the City. At age 65, retired employees are removed from the City's group health plan. Retirees who retired before January 1, 2013, became Medicare eligible before January 1, 2013, and provide evidence of Part B enrollment will be reimbursed a portion of their Medicare Part B premium (known as the "Medicare Part B Stipend"). Retirees who cover their dependents will pay 50% of the rate which is set by the City for the dependent coverage. Spouse coverage in the Pre-65 Retiree Plan ends when the spouse attains age 65. Spouses covered as dependents during the retiree's lifetime are not eligible for the Medicare Part B Stipend. Upon the retiree's death, a surviving spouse may continue coverage in the Pre-65 Retiree Plan until age 65. Upon the death of a retiree who was receiving the Medicare Part B Stipend, the surviving spouse will receive the Medicare Part B Stipend after the retiree's death.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

Retirees also receive life insurance benefits from the City. Effective January 1, 2009, retirees receive life insurance coverage equal to the amount provided to them by the City as an active employee. This amount remains in effect until the retiree reaches age 65. At age 65, the amount is reduced to 65% of the pre-65 amount and is further reduced at age 70 to 50% of the pre-65 amount. For retirees who retired prior to January 1, 2009, the amount of coverage in effect at the time of the plan change was grandfathered and does not change as the retiree ages. Spouses of retirees receive \$10,000 of life insurance from the City. This amount remains in effect until the retiree reaches age 65. At age 65, the amount is reduced to \$6,500 and is further reduced at age 70 to \$5,000. For the surviving spouses of retirees who retired prior to January 1, 2009, the amount of coverage in effect at the time of the plan change was grandfathered. The amount of coverage provided to the spouse does not change and remains in effect after the retiree's death.

Membership in the OPEB Plan as of the most recent actuarial valuation date, June 30, 2021, is as follows:

Active employees	905
Inactive members or beneficiaries currently receiving benefits	713
Total membership	<u>1,618</u>

Contributions

The City has elected to fund the OPEB Plan on a "pay as you go" basis. Plan members, once retired, pay a portion of the group insurance rate which is set by the City. The City contributes the current year benefit costs of the Plan which are not paid by the retiree. For the year ended June 30, 2023, the City contributed \$670,520 for the pay as you go benefits for the OPEB Plan.

Total OPEB Liability of the City

The City's total OPEB liability ("TOL") is based upon an actuarial valuation performed as of June 30, 2021. An expected TOL is determined as of June 30, 2021, the prior measurement date, using standard roll forward techniques. The roll forward calculation begins with the TOL, as of the measurement date, adds the normal cost (also called the service cost), with a year of interest at the discount rate for the year, then adds in the actual benefit payments with interest at the discount rate for half of the year.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The TOL in the June 30, 2021 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 Pre-Medicare	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Medicare Part B Stipend	0.00%
Inflation Rate	2.75%
Real wage growth	0.50%
Wage inflation	3.25%
Participation rate	Pre-65, non-disabled - 50%; Pre-65, disabled - 100%; Life insurance - 100%; Spouse Health Plan - 35%

The mortality table for active and healthy annuitants is the GMA-1994 sex-distinct table, set forward two years. The mortality table for disabled retirees is the RP-2000 Disabled sex-distinct, set forward three years.

Discount Rate

The discount rate used to measure the TOL was 3.54%. This rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index published the last week of June 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability of the City

The changes in the TOL of the City for the year ended June 30, 2023 were as follows:

	Total OPEB Liability
Balance as of June 30, 2021	<u>\$ 40,083,453</u>
Changes for the year:	
Service cost	1,237,817
Interest on TOL and cash flow	855,852
Changes of assumptions	(5,968,028)
Benefits paid	<u>(926,293)</u>
Net changes	<u>(4,800,652)</u>
Balance as of June 30, 2022	<u><u>\$ 35,282,801</u></u>

The required schedule of changes in the City's TOL and related ratios immediately following the notes to the financial statements presents multi-year trend information about the TOL.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the TOL of the City, as well as what the City's TOL 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%
Total OPEB Liability	\$ 39,467,167	\$ 35,282,801	\$ 31,729,826

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the TOL of the City, as well as what the City's TOL would be if it were calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 32,505,009	\$ 35,282,801	\$ 38,579,064

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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 \$1,985,310. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in projected and actual experience	\$ 86,855	\$ 1,935,458
Changes of Assumptions	4,915,548	5,084,362
Total	<u>\$ 5,002,403</u>	<u>\$ 7,019,820</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2024	\$ 223,916
2025	180,192
2026	(555,956)
2027	(1,151,086)
2028	(714,483)
	<u>\$ (2,017,417)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 15. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets represents the net cost of capital assets less accumulated depreciation and outstanding debt less unexpended proceeds attributable to the investment in capital assets. To the extent that debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. A detail of net investment in capital assets is as follows:

	Governmental Activities	Business-type Activities
Capital assets, net of accumulated depreciation	\$ 110,035,883	\$ 251,974,325
Unspent lease proceeds	7,256,940	-
Deferred charges on refunding	3,211	-
Retainage payable	(679,212)	(61,424)
Bonds payable	(330,000)	(1,580,000)
Financed purchases	-	(6,549,000)
Notes payable	(13,254,142)	(1,191,588)
Certificates of participation	(10,000,000)	-
Total net investment in capital assets	<u>\$ 93,032,680</u>	<u>\$ 242,592,313</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALBANY, GEORGIA

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability - Beginning of Year	\$ 211,727,713	\$ 192,331,205	\$ 203,617,422	\$ 200,729,602	\$ 198,119,376	\$ 178,257,598	\$ 175,702,339	\$ 169,373,602	\$ 165,074,003
Service Cost	3,091,916	2,681,194	2,784,337	2,584,071	2,410,521	2,231,964	2,072,533	2,012,167	2,215,323
Interest on the Total Pension Liability	14,268,637	14,322,572	15,209,475	14,987,547	15,269,752	14,405,323	14,514,514	14,016,505	13,724,868
Difference between Expected and Actual Experience	-	2,932,385	(14,547,786)	-	(4,119,996)	1,582,590	-	3,271,492	-
Changes of Assumptions	-	14,507,987	-	-	3,544,902	15,407,604	-	-	-
Benefit Payments	(15,119,304)	(14,469,316)	(14,002,151)	(13,916,857)	(13,626,011)	(13,215,951)	(13,312,191)	(12,142,282)	(11,114,494)
Refunds of Contributions	(660,551)	(578,314)	(730,092)	(766,941)	(868,942)	(549,752)	(719,597)	(829,146)	(526,098)
Net Change in Total Pension Liability	1,580,698	19,396,508	(11,286,217)	2,887,820	2,610,226	19,861,778	2,555,259	6,328,736	4,299,599
(a) Total Pension Liability - End of Year	213,308,411	211,727,713	192,331,205	203,617,422	200,729,602	198,119,376	178,257,598	175,702,338	169,373,602
Plan Fiduciary Net Position - Beginning of Year	135,926,390	114,697,314	114,350,062	113,740,163	113,181,642	106,372,752	114,837,182	118,681,219	104,280,508
Contributions - Employer	5,950,521	5,997,665	5,972,962	5,350,424	5,230,307	5,437,013	4,481,018	4,413,592	4,714,664
Contributions - Employee	2,353,034	2,396,779	2,299,031	2,311,564	2,265,807	2,342,732	2,295,605	2,270,553	2,332,768
Net Investment Income	(18,082,122)	27,932,367	6,868,111	7,734,121	7,582,229	12,823,332	(1,140,321)	2,471,086	19,395,817
Benefit Payments, including refund of contributions	(15,779,855)	(15,047,630)	(14,732,243)	(14,683,798)	(14,494,953)	(13,765,703)	(14,031,788)	(12,971,428)	(11,990,923)
Administrative Expenses	(51,317)	(50,105)	(60,609)	(102,412)	(24,869)	(28,460)	(68,944)	(28,956)	(51,615)
Other	-	-	-	-	-	(24)	-	39,161	-
Net Change in Plan Fiduciary Net Position	(25,609,739)	21,229,076	347,252	609,899	558,521	6,808,890	(8,464,430)	(3,805,992)	14,400,711
(b) Plan Fiduciary Net Position - End of Year	110,316,651	135,926,390	114,697,314	114,350,062	113,740,163	113,181,642	106,372,752	114,875,227	118,681,219
City's Net Pension Liability (a) - (b)	\$ 102,991,760	\$ 75,801,323	\$ 77,633,891	\$ 89,267,360	\$ 86,989,439	\$ 84,937,734	\$ 71,884,846	\$ 60,827,111	\$ 50,692,383
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.72%	64.20%	59.64%	56.16%	56.66%	57.13%	59.67%	65.38%	70.07%
Covered Payroll	\$ 44,314,760	\$ 44,913,640	\$ 44,314,760	\$ 45,800,527	\$ 44,683,441	\$ 43,894,718	\$ 44,071,111	\$ 44,376,707	\$ 43,658,122
Net Pension Liability as a Percentage of the Covered Payroll	232.41%	168.77%	175.19%	194.90%	194.68%	193.50%	163.11%	137.07%	116.11%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF ALBANY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS DEFINED BENEFIT PENSION PLAN FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined employer contribution	\$ 11,211,742	\$ 5,950,521	\$ 5,997,665	\$ 5,972,962	\$ 5,350,424	\$ 5,230,307	\$ 5,437,013	\$ 4,481,018	\$ 4,413,592	\$ 4,339,414
Actual employer contributions	11,211,742	5,950,521	5,997,665	5,972,962	5,350,424	5,230,307	5,437,013	4,481,018	4,413,592	4,339,414
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 46,036,481	\$ 44,314,760	\$ 44,913,640	\$ 44,314,760	\$ 45,800,527	\$ 44,683,441	\$ 43,894,718	\$ 44,071,111	\$ 44,376,707	\$ 43,658,122
Actual contributions as a percentage of covered payroll	24.35%	13.43%	13.35%	13.48%	11.68%	11.71%	12.39%	10.17%	9.95%	9.94%

Methods and Assumptions for Actuarially Determined Contribution

Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Five-Year Smoothed Fair Value
Amortization Method	Level Percent of Pay
Single Equivalent Amortization Period	25-Year Closed Period
Actuarial Assumptions:	
Investment rate of return	7.00% net of investment expenses
Projected salary increases	3.25% including inflation
Expected annual inflation	2.50%

Changes of Assumptions

None

CITY OF ALBANY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
DEFINED BENEFIT PENSION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30,**

Fiscal Year	Annual Money-Weighted Rate of Return
2023	7.61%
2022	-13.83%
2021	25.04%
2020	6.78%
2019	6.68%
2018	12.29%
2017	-1.03%
2016	2.13%
2015	18.60%

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

CITY OF ALBANY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS OTHER POST-EMPLOYMENT BENEFIT PENSION PLAN FOR THE FISCAL YEAR ENDED JUNE 30,

	2023	2022	2021	2020	2019	2018
Total OPEB Liability - Beginning of Year	\$ 40,083,453	\$ 40,016,829	\$ 33,716,278	\$ 29,943,480	\$ 29,754,318	\$ 31,787,147
Service Cost	1,237,817	1,225,075	893,986	736,065	761,134	834,413
Interest	855,852	871,280	1,154,251	1,133,815	1,049,439	930,513
Difference between Expected and Actual Experience	-	(2,987,336)	-	299,991	-	-
Changes of Assumptions	(5,968,028)	2,148,914	5,740,487	2,907,154	(1,065,138)	(2,038,499)
Benefit Payments	(926,293)	(1,191,309)	(1,488,173)	(1,304,227)	(556,273)	(1,759,256)
Net Change in Total OPEB Liability	(4,800,652)	66,624	6,300,551	3,772,798	189,162	(2,032,829)
Total OPEB Liability - End of Year	\$ 35,282,801	\$ 40,083,453	\$ 40,016,829	\$ 33,716,278	\$ 29,943,480	\$ 29,754,318
Covered employee Payroll	43,499,893	43,499,893	40,850,567	40,850,567	43,894,718	43,894,718
Total OPEB Liability as a Percentage of Covered employee Payroll	81.11%	92.15%	97.96%	82.54%	68.22%	67.79%

Notes to the Schedule:

1) Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

2) There are 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.

CITY OF ALBANY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

- | | |
|---------------------------------------|---|
| Hotel/Motel Tax Fund | - To account for the collection and disbursement of hotel/motel tax revenue. |
| Grant Fund | - To account for grant revenues and expenditures related to various short-lived projects. |
| Downtown Development Authority | - To account for the activities of the Albany Downtown Development Authority related to downtown projects in the Central Business District. |
| Computer Aided Dispatch Fund | - To account for activities related to enhanced "911" services. Financing is provided from program charges. Revenues are expended for capital assets and system operations. |
| ADICA | - To account for the activities of the Albany-Dougherty Inner City Authority related to inner city development. |
| Gortatowsky Fund | - To account for resources provided by the estate of Henry Gortatowsky which are to be used for permanent improvements of a municipal park and/or recreation center. |
| Tax Allocation District Fund | - To account for revenues and expenditures related to the City tax allocation district. |

CITY OF ALBANY, GEORGIA

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

	Special Revenue Funds							Total
	Hotel/ Motel Tax Fund	Grant Fund	Downtown Development Authority	Computer Aided Dispatch Fund	ADICA	Gortatowsky Fund	Tax Allocation District Fund	
ASSETS								
Cash	\$ -	\$ 235,269	\$ 188,620	\$ 361,159	\$ 215,666	\$ -	\$ -	\$ 1,000,714
Investments	-	-	-	472,534	-	9,972	-	482,506
Receivables, net of allowance:								
Taxes	-	-	-	-	-	-	758	758
Accounts	247,822	-	-	-	3,521	-	-	251,343
Due from other governments	-	1,927,275	-	-	-	-	-	1,927,275
Prepaid items	-	-	3,534	-	-	-	-	3,534
Total assets	\$ 247,822	\$ 2,162,544	\$ 192,154	\$ 833,693	\$ 219,187	\$ 9,972	\$ 758	\$ 3,666,130
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)								
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 3,000	\$ 78,048	\$ -	\$ -	\$ -	\$ 81,048
Accrued liabilities	-	-	3,334	-	-	-	155,340	158,674
Advances from other funds	-	-	-	-	-	-	2,209,930	2,209,930
Due to other funds	-	1,794,732	-	-	-	-	76,091	1,870,823
Due to other governments	-	2,864	-	-	-	-	-	2,864
Unearned revenues	-	107,278	-	-	-	-	-	107,278
Total liabilities	-	1,904,874	6,334	78,048	-	-	2,441,361	4,430,617
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - grants	-	237,019	-	-	-	-	-	237,019
Total deferred inflow of resources	-	237,019	-	-	-	-	-	237,019
FUND BALANCES (DEFICIT)								
Nonspendable - prepaid items	-	-	3,534	-	-	-	-	3,534
Restricted:								
Promotion of tourism	247,822	-	-	-	-	-	-	247,822
Gortatowsky endowment	-	-	-	-	-	9,972	-	9,972
Grants	-	20,651	-	-	-	-	-	20,651
Committed:								
Inner city projects	-	-	182,286	-	219,187	-	-	401,473
Capital projects	-	-	-	755,645	-	-	-	755,645
Unassigned (deficit)	-	-	-	-	-	-	(2,440,603)	(2,440,603)
Total fund balances (deficit)	247,822	20,651	185,820	755,645	219,187	9,972	(2,440,603)	(1,001,506)
Total liabilities, deferred inflows of resources and fund balances (deficit)	\$ 247,822	\$ 2,162,544	\$ 192,154	\$ 833,693	\$ 219,187	\$ 9,972	\$ 758	\$ 3,666,130

CITY OF ALBANY, GEORGIA

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

	Special Revenue Funds							
	Hotel/ Motel Tax Fund	Grant Fund	Downtown Development Authority	Computer Aided Dispatch Fund	ADICA	Gortatowsky Fund	Tax Allocation District Fund	Total
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 571,829	\$ 571,829
Other taxes	2,493,606	-	-	-	-	-	-	2,493,606
Intergovernmental	-	2,253,704	-	192,044	-	-	-	2,445,748
Charges for services	-	-	-	1,520,621	53,135	-	-	1,573,756
Other revenues:								
Investment income	-	-	-	5,267	23	39	-	5,329
Other income	-	-	46,835	-	750	-	-	47,585
Total revenues	2,493,606	2,253,704	46,835	1,717,932	53,908	39	571,829	7,137,853
Expenditures:								
Current:								
Public safety	-	2,178,571	-	2,042,119	-	-	-	4,220,690
Parks and recreation	-	208,152	-	-	-	-	-	208,152
Community development	2,027,001	242,531	80,450	-	49,668	-	48,230	2,447,880
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	320,000	320,000
Interest	-	-	-	-	-	-	19,995	19,995
Total expenditures	2,027,001	2,629,254	80,450	2,042,119	49,668	-	388,225	7,216,717
Excess (deficiency) of revenues over (under) expenditures	466,605	(375,550)	(33,615)	(324,187)	4,240	39	183,604	(78,864)
Other financing sources (uses):								
Transfers in	-	231,547	50,000	-	-	-	-	281,547
Transfers out	(439,612)	-	-	-	-	(22)	-	(439,634)
Total other financing sources (uses)	(439,612)	231,547	50,000	-	-	(22)	-	(158,087)
Net change in fund balances	26,993	(144,003)	16,385	(324,187)	4,240	17	183,604	(236,951)
Fund balances (deficit), beginning of year	220,829	164,654	169,435	1,079,832	214,947	9,955	(2,624,207)	(764,555)
Fund balances (deficit), end of year	\$ 247,822	\$ 20,651	\$ 185,820	\$ 755,645	\$ 219,187	\$ 9,972	\$ (2,440,603)	\$ (1,001,506)

CITY OF ALBANY, GEORGIA

BUDGETARY COMPLIANCE

Special Revenue Funds

- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual

CITY OF ALBANY, GEORGIA

**NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds					
	Hotel/Motel Tax Fund			Computer Aided Dispatch Fund		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues						
Taxes	\$ 2,327,000	\$ 2,493,606	\$ 166,606	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	247,970	192,044	(55,926)
Charges for services	-	-	-	1,740,000	1,520,621	(219,379)
Investment income	-	-	-	-	5,267	5,267
Other income	-	-	-	-	-	-
Total revenues	<u>2,327,000</u>	<u>2,493,606</u>	<u>166,606</u>	<u>1,987,970</u>	<u>1,717,932</u>	<u>(270,038)</u>
Expenditures						
Current:						
Public safety	-	-	-	2,420,272	2,042,119	378,153
Parks and recreation	-	-	-	-	-	-
Community development	2,027,000	2,027,001	(1)	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	<u>2,027,000</u>	<u>2,027,001</u>	<u>(1)</u>	<u>2,420,272</u>	<u>2,042,119</u>	<u>378,153</u>
Excess (deficiency) of revenues over (under) expenditures	<u>300,000</u>	<u>466,605</u>	<u>166,605</u>	<u>(432,302)</u>	<u>(324,187)</u>	<u>108,115</u>
Other financing sources (uses)						
Appropriation of fund balance	-	-	-	432,302	-	432,302
Transfers in	-	-	-	-	-	-
Transfers out	(300,000)	(439,612)	139,612	-	-	-
Total other financing sources (uses)	<u>(300,000)</u>	<u>(439,612)</u>	<u>139,612</u>	<u>432,302</u>	<u>-</u>	<u>432,302</u>
Net change in fund balances	<u>\$ -</u>	<u>26,993</u>	<u>\$ 26,993</u>	<u>\$ -</u>	<u>(324,187)</u>	<u>\$ (324,187)</u>
Fund balances (deficit), beginning of year		<u>220,829</u>			<u>1,079,832</u>	
Fund balances (deficit), end of year		<u>\$ 247,822</u>			<u>\$ 755,645</u>	

(Continued)

CITY OF ALBANY, GEORGIA

**NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds					
	Grant Fund			Downtown Development Authority		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,460,873	2,253,704	(1,207,169)	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other income	-	-	-	59,373	46,835	(12,538)
Total revenues	<u>3,460,873</u>	<u>2,253,704</u>	<u>(1,207,169)</u>	<u>59,373</u>	<u>46,835</u>	<u>(12,538)</u>
Expenditures						
Current:						
Public safety	927,481	2,178,571	(1,251,090)	-	-	-
Parks and recreation	-	208,152	(208,152)	-	-	-
Community development	2,627,989	242,531	2,385,458	109,373	80,450	28,923
Debt service	-	-	-	-	-	-
Total expenditures	<u>3,555,470</u>	<u>2,629,254</u>	<u>926,216</u>	<u>109,373</u>	<u>80,450</u>	<u>28,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94,597)</u>	<u>(375,550)</u>	<u>(280,953)</u>	<u>(50,000)</u>	<u>(33,615)</u>	<u>16,385</u>
Other financing sources (uses)						
Appropriation of fund balance	-	-	-	-	-	-
Transfers in	94,597	231,547	136,950	50,000	50,000	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>94,597</u>	<u>231,547</u>	<u>136,950</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>(144,003)</u>	<u>\$ (144,003)</u>	<u>\$ -</u>	<u>16,385</u>	<u>\$ 16,385</u>
Fund balances (deficit), beginning of year		<u>164,654</u>			<u>169,435</u>	
Fund balances (deficit), end of year		<u>\$ 20,651</u>			<u>\$ 185,820</u>	

(Continued)

CITY OF ALBANY, GEORGIA

**NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds					
	Tax Allocation District Fund			Gortatowsky Fund		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues						
Taxes	\$ 388,338	\$ 571,829	\$ 183,491	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	-	-	-	-	39	39
Other income	-	-	-	-	-	-
Total revenues	<u>388,338</u>	<u>571,829</u>	<u>183,491</u>	<u>-</u>	<u>39</u>	<u>39</u>
Expenditures						
Current:						
Public safety	-	-	-	-	-	-
Parks and recreation	-	-	-	6,145	-	6,145
Community development	48,425	48,230	195	-	-	-
Debt service	339,913	339,995	(82)	-	-	-
Total expenditures	<u>388,338</u>	<u>388,225</u>	<u>113</u>	<u>6,145</u>	<u>-</u>	<u>6,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>183,604</u>	<u>183,604</u>	<u>(6,145)</u>	<u>39</u>	<u>6,184</u>
Other financing sources (uses)						
Appropriation of fund balance	-	-	-	6,145	-	(6,145)
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(22)	(22)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,145</u>	<u>(22)</u>	<u>(6,167)</u>
Net change in fund balances	<u>\$ -</u>	<u>183,604</u>	<u>\$ 183,604</u>	<u>\$ -</u>	<u>17</u>	<u>\$ 17</u>
Fund balances (deficit), beginning of year		<u>(2,624,207)</u>			<u>9,955</u>	
Fund balances (deficit), end of year		<u>\$ (2,440,603)</u>			<u>\$ 9,972</u>	

(Continued)

CITY OF ALBANY, GEORGIA

**NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Fund		
	ADICA		
	Original and Final Budget	Actual	Variance
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	65,673	53,135	(12,538)
Investment income	-	23	23
Other income	-	750	750
Total revenues	65,673	53,908	(11,765)
Expenditures			
Current:			
Public safety	-	-	-
Parks and recreation	-	-	-
Community development	65,673	49,668	16,005
Debt service	-	-	-
Total expenditures	65,673	49,668	16,005
Excess (deficiency) of revenues over (under) expenditures	-	4,240	4,240
Other financing sources (uses)			
Appropriation of fund balance	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	\$ -	4,240	\$ 4,240
Fund balances (deficit), beginning of year		214,947	
Fund balances (deficit), end of year		\$ 219,187	

CITY OF ALBANY, GEORGIA

NONMAJOR ENTERPRISE FUNDS

Flint River Entertainment Complex Fund

- To account for the operations of the James H. Gray Civic Center and the City's municipal auditorium. All activities necessary to provide such services are accounted for in this fund.

Solid Waste Fund

- To account for the provisions of solid waste collection and disposal services to the residents of the City.

Telecommunications Fund

- To finance and account for the cost of providing telecommunication services to customers of the City. All activities necessary to provide such services are accounted for in this fund.

CITY OF ALBANY, GEORGIA

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2023

		Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
ASSETS					
CURRENT ASSETS					
Cash		\$ 315,058	\$ 3,067,936	\$ 392,436	\$ 3,775,430
Investments		-	68,608	3,005,620	3,074,228
Accounts receivable, net of allowances		256,952	1,778,502	22,434	2,057,888
Inventories		-	-	407,379	407,379
Total current assets		572,010	4,915,046	3,827,869	9,314,925
NON-CURRENT ASSETS					
Capital assets:					
Non-depreciable		2,849,761	907,035	1,252,072	5,008,868
Depreciable, net of accumulated depreciation		4,966,001	1,621,994	5,304,477	11,892,472
Total non-current assets		7,815,762	2,529,029	6,556,549	16,901,340
Total assets		8,387,772	7,444,075	10,384,418	26,216,265
DEFERRED OUTFLOWS OF RESOURCES					
Pensions		-	679,809	271,923	951,732
Total deferred outflows of resources		-	679,809	271,923	951,732

(Continued)

CITY OF ALBANY, GEORGIA

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2023

	Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	\$ 554,698	\$ 612,378	\$ 15,189	\$ 1,182,265
Current portion - compensated absences	-	83,744	37,108	120,852
Due to other funds	315,977	311,032	-	627,009
Advanced payments and customer deposits	87,214	-	-	87,214
Total current liabilities	957,889	1,007,154	52,297	2,017,340
LONG-TERM LIABILITIES				
Compensated absences, net of current portion	-	9,305	4,123	13,428
Net pension liability	-	2,198,330	879,332	3,077,662
Total long-term liabilities	-	2,207,635	883,455	3,091,090
Total liabilities	957,889	3,214,789	935,752	5,108,430
DEFERRED INFLOWS OF RESOURCES				
Pensions	-	104,877	41,950	146,827
Total deferred inflows of resources	-	104,877	41,950	146,827
NET POSITION				
Investment in capital assets	7,815,762	2,529,029	6,556,549	16,901,340
Unrestricted (deficit)	(385,879)	2,275,189	3,122,090	5,011,400
Total net position	\$ 7,429,883	\$ 4,804,218	\$ 9,678,639	\$ 21,912,740

CITY OF ALBANY, GEORGIA

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

	Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
Operating revenues				
Charges for services	\$ 1,711,184	\$ 13,504,698	\$ 3,292,301	\$ 18,508,183
Other	-	9,130	6,575,942	6,585,072
Total operating revenues	1,711,184	13,513,828	9,868,243	25,093,255
Operating expenses				
Personnel costs	-	1,624,193	902,715	2,526,908
Supplies	-	74,955	85,201	160,156
Operating services and charges	3,506,519	9,435,921	1,807,168	14,749,608
Maintenance and repairs	-	713,400	31,388	744,788
Depreciation	485,417	238,341	477,177	1,200,935
Total operating expenses	3,991,936	12,086,810	3,303,649	19,382,395
Operating income (loss)	(2,280,752)	1,427,018	6,564,594	5,710,860
Non-operating revenues				
Investment income	180	1,375	9,553	11,108
Interest expense and fiscal charges	-	-	(3,731)	(3,731)
Gain on sale of assets	-	6,283	-	6,283
Total non-operating revenues	180	7,658	5,822	13,660
Income (loss) before capital contributions and transfers	(2,280,572)	1,434,676	6,570,416	5,724,520

(Continued)

CITY OF ALBANY, GEORGIA

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

	Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
Capital contributions				
Other capital contributions	\$ 50,939	\$ -	\$ -	\$ 50,939
Total capital contributions	<u>50,939</u>	<u>-</u>	<u>-</u>	<u>50,939</u>
Transfers				
Transfers in	875,804	-	-	875,804
Transfers out	-	(1,113,415)	(310,188)	(1,423,603)
Total transfers	<u>875,804</u>	<u>(1,113,415)</u>	<u>(310,188)</u>	<u>(547,799)</u>
Change in net position	(1,353,829)	321,261	6,260,228	5,227,660
Total net position, beginning of year	<u>8,783,712</u>	<u>4,482,957</u>	<u>3,418,411</u>	<u>16,685,080</u>
Total net position, end of year	<u><u>\$ 7,429,883</u></u>	<u><u>\$ 4,804,218</u></u>	<u><u>\$ 9,678,639</u></u>	<u><u>\$ 21,912,740</u></u>

CITY OF ALBANY, GEORGIA

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

	Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,717,835	\$ 13,421,879	\$ 9,888,908	\$ 25,028,622
Payments to suppliers	(3,557,231)	(9,920,093)	(5,931,546)	(19,408,870)
Payments to employees	-	(1,647,797)	(774,235)	(2,422,032)
Net cash provided by (used in) operating activities	(1,839,396)	1,853,989	3,183,127	3,197,720
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	875,804	-	-	875,804
Transfers out	-	(1,113,415)	(310,188)	(1,423,603)
Net cash provided by (used in) noncapital financing activities	875,804	(1,113,415)	(310,188)	(547,799)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(563,770)	(283,210)	(846,980)
Proceeds from sale of capital assets	-	17,983	-	17,983
Interest paid	-	-	(3,731)	(3,731)
Net cash provided by (used in) capital and related financing activities	-	(545,787)	(286,941)	(832,728)
CASH FLOWS FROM INVESTING ACTIVITIES				
(Purchase) sale of investments	-	183,497	(3,005,620)	(2,822,123)
Interest on investments	180	1,375	9,553	11,108
Net cash provided by investing activities	180	184,872	(2,996,067)	(2,811,015)
Change in cash and cash equivalents	(963,412)	379,659	(410,069)	(993,822)
Cash and cash equivalents:				
Beginning of year	1,278,470	2,688,277	802,505	4,769,252
End of year	\$ 315,058	\$ 3,067,936	\$ 392,436	\$ 3,775,430

(Continued)

CITY OF ALBANY, GEORGIA

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

	Flint River Entertainment Complex Fund	Solid Waste Fund	Telecommunications Fund	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ (2,280,752)	\$ 1,427,018	\$ 6,564,594	\$ 5,710,860
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	485,417	238,341	477,177	1,200,935
(Increase) decrease in accounts receivable	11,120	(91,949)	20,665	(60,164)
Increase in inventories	-	-	(47,494)	(47,494)
Increase in deferred outflows of resources - pensions	-	(252,476)	(136,976)	(389,452)
Increase (decrease) in accounts payable and other liabilities	(92,485)	3,353	1,824	(87,308)
Increase (decrease) in due to other funds and advances	41,773	303,277	(3,962,119)	(3,617,069)
Decrease in advanced payments and customer deposits	(4,469)	-	-	(4,469)
Increase in net pension liability	-	594,516	372,864	967,380
Decrease in deferred inflows of resources - pensions	-	(368,091)	(107,408)	(475,499)
Net cash provided by (used in) operating activities	<u>\$ (1,839,396)</u>	<u>\$ 1,853,989</u>	<u>\$ 3,183,127</u>	<u>\$ 3,197,720</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributions of capital assets from governmental activities	\$ 50,939	\$ -	\$ -	\$ 50,939
Total noncash investing, capital and financing activities	<u>\$ 50,939</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,939</u>

CITY OF ALBANY, GEORGIA

INTERNAL SERVICE FUNDS

-
- | | |
|---|---|
| Self-Administered Insurance Fund | - To account for the funding of self-insurance and payment of claims and judgments against the City. |
| Public Employees' Deposit Fund | - To account for employer and employee contributions to be used for the payment of employee health claims. |
| Workers' Compensation Fund | - To account for the accumulation of resources for future workers' compensation claims. |
| R3M (Repair, Renovate, and Replace) Fund | - To account for the maintenance and long-term care of City-owned buildings and infrastructure that do not qualify as capital expenses. |
| Utility Fund | - To account for the accumulation of resources for administrative services related to utility activities of the City. |
| Fleet Management Fund | - To account for the fleet management by providing maintenance and repairs for the City-owned vehicles and equipment. |

CITY OF ALBANY, GEORGIA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023**

	Self-Administered Insurance Fund	Public Employees' Deposit Fund	Workers' Compensation Fund	R3M Fund	Utility Fund	Fleet Management Fund	Totals
ASSETS							
CURRENT ASSETS							
Cash	\$ -	\$ 652,801	\$ 40,818	\$ -	\$ 2,133,942	\$ -	\$ 2,827,561
Investments	2,298,118	300,040	3,717,677	2,759,945	5,019,291	-	14,095,071
Accounts receivable	26,849	870,656	54,881	-	624,125	-	1,576,511
Inventory	-	-	-	-	-	1,993,477	1,993,477
Due from other funds	-	-	-	-	810,297	-	810,297
	<u>2,324,967</u>	<u>1,823,497</u>	<u>3,813,376</u>	<u>2,759,945</u>	<u>8,587,655</u>	<u>1,993,477</u>	<u>21,302,917</u>
NON-CURRENT ASSETS							
Capital assets:							
Non-depreciable	-	1,795,385	-	-	612,589	9,745	2,417,719
Depreciable, net of accumulated depreciation	-	33,159	-	-	6,198,669	4,846,049	11,077,877
Total non-current assets	-	<u>1,828,544</u>	-	-	<u>6,811,258</u>	<u>4,855,794</u>	<u>13,495,596</u>
Total assets	<u>2,324,967</u>	<u>3,652,041</u>	<u>3,813,376</u>	<u>2,759,945</u>	<u>15,398,913</u>	<u>6,849,271</u>	<u>34,798,513</u>
DEFERRED OUTFLOWS OF RESOURCES							
Pensions	-	33,990	-	-	3,942,890	1,155,675	5,132,555
Total deferred outflows of resources	-	<u>33,990</u>	-	-	<u>3,942,890</u>	<u>1,155,675</u>	<u>5,132,555</u>

(Continued)

CITY OF ALBANY, GEORGIA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023**

	Self-Administered Insurance Fund	Public Employees' Deposit Fund	Workers' Compensation Fund	R3M Fund	Utility Fund	Fleet Management Fund	Totals
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	\$ 557,228	\$ 162,873	\$ -	\$ 36,992	\$ 207,749	\$ 8,628	\$ 973,470
Accrued liabilities	-	-	-	-	457,505	493	457,998
Claims payable	1,399,000	1,381,182	486,376	-	-	-	3,266,558
Current portion - compensated absences	-	-	-	-	808,666	144,112	952,778
Due to other funds	-	1,984,563	-	-	-	321,763	2,306,326
Total current liabilities	<u>1,956,228</u>	<u>3,528,618</u>	<u>486,376</u>	<u>36,992</u>	<u>1,473,920</u>	<u>474,996</u>	<u>7,957,130</u>
NON-CURRENT LIABILITIES							
Compensated absences, net of current portion	-	-	-	-	89,852	16,012	105,864
Customer deposits	-	-	-	-	3,292,643	-	3,292,643
Net pension liability	-	109,916	-	-	12,750,314	3,737,161	16,597,391
Total long-term liabilities	<u>-</u>	<u>109,916</u>	<u>-</u>	<u>-</u>	<u>16,132,809</u>	<u>3,753,173</u>	<u>19,995,898</u>
Total liabilities	<u>1,956,228</u>	<u>3,638,534</u>	<u>486,376</u>	<u>36,992</u>	<u>17,606,729</u>	<u>4,228,169</u>	<u>27,953,028</u>
DEFERRED INFLOWS OF RESOURCES							
Pensions	-	5,243	-	-	608,287	178,292	791,822
Total deferred inflows of resources	<u>-</u>	<u>5,243</u>	<u>-</u>	<u>-</u>	<u>608,287</u>	<u>178,292</u>	<u>791,822</u>
NET POSITION							
Investment in capital assets	-	1,828,544	-	-	6,811,258	4,855,794	13,495,596
Unrestricted (deficit)	<u>368,739</u>	<u>(1,786,290)</u>	<u>3,327,000</u>	<u>2,722,953</u>	<u>(5,684,471)</u>	<u>(1,257,309)</u>	<u>(2,309,378)</u>
Total net position	<u>\$ 368,739</u>	<u>\$ 42,254</u>	<u>\$ 3,327,000</u>	<u>\$ 2,722,953</u>	<u>\$ 1,126,787</u>	<u>\$ 3,598,485</u>	<u>\$ 11,186,218</u>

CITY OF ALBANY, GEORGIA

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

	Self-Administered Insurance Fund	Public Employees' Deposit Fund	Workers' Compensation Fund	R3M Fund	Utility Fund	Fleet Management Fund	Totals
Operating revenues							
Charges for services	\$ 3,296,350	\$ 17,505,754	\$ 1,540,887	\$ -	\$ 14,292,680	\$ 2,622,642	\$ 39,258,313
Other	9,830	-	4,514	-	-	249,498	263,842
Total operating revenues	3,306,180	17,505,754	1,545,401	-	14,292,680	2,872,140	39,522,155
Operating expenses							
Personnel costs	-	-	-	-	8,180,795	2,192,034	10,372,829
General and administrative	91,613	3,535,316	824,135	-	-	115,364	4,566,428
Supplies	-	-	-	-	466,317	324,834	791,151
Operating services and charges	-	-	-	549,674	4,076,101	-	4,625,775
Maintenance and repairs	-	-	-	-	528,781	215,112	743,893
Depreciation	-	3,899	-	-	531,448	217,270	752,617
Claims and damages	4,000,296	16,401,106	1,062,726	-	-	-	21,464,128
Total operating expenses	4,091,909	19,940,321	1,886,861	549,674	13,783,442	3,064,614	43,316,821
Operating income (loss)	(785,729)	(2,434,567)	(341,460)	(549,674)	509,238	(192,474)	(3,794,666)
Non-operating revenues (expenses)							
Investment income (loss)	9,977	1,192	15,755	7,705	23,101	-	57,730
Gain on sale of capital assets	-	-	-	-	114,060	57,378	171,438
Total non-operating revenues (expenses)	9,977	1,192	15,755	7,705	137,161	57,378	229,168
Income (loss) before capital contributions and transfers	(775,752)	(2,433,375)	(325,705)	(541,969)	646,399	(135,096)	(3,565,498)
Capital contributions							
Other capital contributions	-	-	-	-	-	5,000	5,000
Total capital contributions	-	-	-	-	-	5,000	5,000
Transfers							
Transfers in	-	1,500,000	-	1,200,000	-	1,500,000	4,200,000
Total transfers	-	1,500,000	-	1,200,000	-	1,500,000	4,200,000
Change in net position	(775,752)	(933,375)	(325,705)	658,031	646,399	1,369,904	639,502
Net position, beginning of year	1,144,491	975,629	3,652,705	2,064,922	480,388	2,228,581	10,546,716
Net position, end of year	\$ 368,739	\$ 42,254	\$ 3,327,000	\$ 2,722,953	\$ 1,126,787	\$ 3,598,485	\$ 11,186,218

CITY OF ALBANY, GEORGIA

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

	Self-Administered Insurance Fund	Public Employees' Deposit Fund	Workers' Compensation Fund	R3M Fund	Utility Fund	Fleet Management Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from other funds	\$ 3,687,279	\$ 18,882,184	\$ 1,561,449	\$ -	\$ -	\$ 1,580,375	\$ 25,711,287
Receipts from customers	-	-	-	-	14,369,257	-	14,369,257
Payments to suppliers	-	-	-	(717,741)	(5,803,685)	(1,089,420)	(7,610,846)
Payments to employees	-	-	-	-	(7,846,240)	(1,953,194)	(9,799,434)
Claims paid	(3,793,796)	(16,410,932)	(1,716,180)	-	-	-	(21,920,908)
Premiums paid	(240,625)	(3,535,316)	-	-	-	-	(3,775,941)
Net cash provided by (used in) operating activities	(347,142)	(1,064,064)	(154,731)	(717,741)	719,332	(1,462,239)	(3,026,585)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES							
Transfers in	-	1,500,000	-	1,200,000	-	1,500,000	4,200,000
Net cash provided by non-capital financing activities	-	1,500,000	-	1,200,000	-	1,500,000	4,200,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition and construction of capital assets	-	(34,233)	-	-	(940,372)	(115,839)	(1,090,444)
Proceeds from sale of capital assets	-	-	-	-	129,060	78,078	207,138
Net cash used in capital and related financing activities	-	(34,233)	-	-	(811,312)	(37,761)	(883,306)
CASH FLOWS FROM INVESTING ACTIVITIES							
(Purchases) sales of investments	337,165	(1,192)	40,087	(489,964)	704,081	-	590,177
Investment income	9,977	1,192	15,755	7,705	23,101	-	57,730
Net cash provided by (used in) investing activities	347,142	-	55,842	(482,259)	727,182	-	647,907
Change in cash and cash equivalents	-	401,703	(98,889)	-	635,202	-	938,016
Cash and cash equivalents:							
Beginning of year	-	251,098	139,707	-	1,498,740	-	1,889,545
End of year	\$ -	\$ 652,801	\$ 40,818	\$ -	\$ 2,133,942	\$ -	\$ 2,827,561

(Continued)

CITY OF ALBANY, GEORGIA

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

	Self-Administered Insurance Fund	Public Employees' Deposit Fund	Workers' Compensation Fund	R3M Fund	Utility Fund	Fleet Management Fund	Totals
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES							
Operating loss	\$ (785,729)	\$ (2,434,567)	\$ (341,460)	\$ (549,674)	\$ 509,238	\$ (192,474)	\$ (3,794,666)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:							
Depreciation and amortization	-	3,899	-	-	531,448	217,270	752,617
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable	381,099	(160,337)	16,048	-	76,577	-	313,387
Increase in inventories	-	-	-	-	-	(300,128)	(300,128)
Decrease in prepaid items	-	-	-	-	-	23,288	23,288
(Increase) decrease in due to other funds	-	-	-	-	(608,746)	-	(608,746)
pensions	-	(11,498)	-	-	(1,581,316)	(503,431)	(2,096,245)
Decrease in accounts payable and other liabilities	(149,012)	(187,611)	-	(168,067)	(89,519)	(160,627)	(754,836)
Increase in claims payable	206,500	183,428	170,681	-	-	-	560,609
(Increase) decreases due to other funds	-	1,536,767	-	-	-	(1,291,765)	245,002
Increase in net pension liability	-	25,505	-	-	3,887,131	1,289,234	5,201,870
pensions	-	(19,650)	-	-	(2,005,481)	(543,606)	(2,568,737)
Net cash provided by (used in) operating activities	<u>\$ (347,142)</u>	<u>\$ (1,064,064)</u>	<u>\$ (154,731)</u>	<u>\$ (717,741)</u>	<u>\$ 719,332</u>	<u>\$ (1,462,239)</u>	<u>\$ (3,026,585)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Contributions of capital assets from governmental activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

CITY OF ALBANY, GEORGIA

SCHEDULE OF EXPENDITURES OF

TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

2019 SPECIAL CITY SALES TAX

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
Roadway Improvements	\$ 20,949,000	\$ 20,949,000	\$ 2,965,322	\$ 6,828,416	\$ 9,793,738
Sidewalk Installation	5,000,000	5,000,000	-	-	-
Alley Paving Program	5,000,000	5,000,000	-	-	-
Multi-Purpose Trails	4,200,000	4,200,000	972,546	800	973,346
Airport Improvements	3,500,000	3,500,000	-	-	-
Unpaved Streets	700,000	700,000	78,930	905	79,835
Railroad Crossing Improvements	265,000	265,000	85,106	87,831	172,937
Intersection Improvements	5,000,000	5,000,000	-	-	-
Roadway Widening	2,250,000	2,250,000	4,959	1,168	6,127
Traffic Calming Devices	500,000	500,000	464,886	53,368	518,254
Traffic Signals and Pedestrian Upgrades	4,686,000	4,686,000	389,310	468,493	857,803
Traffic Control Center Tech. Upgrades	550,000	550,000	-	-	-
Downtown Sidewalk Improvements	1,000,000	1,000,000	-	-	-
Other Administrative Expense	-	-	775	-	775
Total	<u>\$ 53,600,000</u>	<u>\$ 53,600,000</u>	<u>\$ 4,961,834</u>	<u>\$ 7,440,981</u>	<u>\$ 12,402,815</u>

CITY OF ALBANY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX PROCEEDS
2016 SPECIAL CITY SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
City Street Resurfacing	\$ 10,000,000	\$ 13,351,574	\$ 13,351,574	\$ -	\$ 13,351,574
Barkley Blvd Extension	1,000,000	1,000,000	33,525	1,421	34,946
Railroad Crossing Improvements	1,600,000	1,600,000	539,002	-	539,002
Alley Paving Program	2,000,000	2,000,000	1,252,448	592,516	1,844,964
City Paved Alley Reconstruction	1,500,000	1,500,000	38,838	395,639	434,477
City Alley Crushed Asphalt Application	1,000,000	1,000,000	620,517	-	620,517
City Sidewalks and Streetscape	2,500,000	2,500,000	1,437,743	616,487	2,054,230
Extension of N. Washington St.	1,900,000	1,900,000	3,272	-	3,272
Traffic Signal Upgrades	1,080,000	428,000	21,323	-	21,323
Federal Mandate Sign Upgrades	500,000	300,000	-	-	-
Underground Utility Installation	3,500,000	3,500,000	2,284,528	1,012,465	3,296,993
Street Light Upgrades	2,500,000	2,500,000	2,080,502	34,199	2,114,701
Interceptor Sewer Improvements	535,000	535,000	-	-	-
Storm Sewer Outfall Improvements	4,000,000	4,000,000	486,984	1,763,975	2,250,959
Storm Pumping Stations for Minor Ponds	700,000	700,000	343,100	169,829	512,929
Holloway-Mercer Drainage	615,000	615,000	-	-	-
SCADA System Upgrades	250,000	256,737	256,737	-	256,737
IT Hardware Upgrades	1,545,000	1,545,000	1,520,462	6,760	1,527,222
GPS/GIS Infrastructure Mapping	1,000,000	1,000,000	522,775	96,655	619,430
IT Software Upgrades	4,100,000	4,100,000	2,631,361	53,262	2,684,623
P25 Radio Project	4,600,000	6,812,416	6,812,416	-	6,812,416
Fire Station Relocation	1,250,000	1,250,000	-	-	-
General Recreational Improvements	3,900,000	6,052,000	2,182,823	334,293	2,517,116
Carver Pool Renovations/Improvements	750,000	750,000	-	-	-
Chehaw Park Improvements	1,000,000	1,000,000	698,193	14,575	712,768
Jefferson St. Pool Renovations	650,000	650,000	844,214	-	844,214

(Continued)

CITY OF ALBANY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX PROCEEDS
2016 SPECIAL CITY SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
New General Aviation Terminal Bldg.	\$ 2,300,000	\$ 2,300,000	\$ -	\$ 1,446,198	\$ 1,446,198
New Transportation Center	2,500,000	2,500,000	2,878,161	2,135,169	5,013,330
Thronateeska Heritage Center Improvements	425,000	425,000	412,596	10,589	423,185
Total	<u>\$ 59,200,000</u>	<u>\$ 66,070,727</u>	<u>\$ 41,253,094</u>	8,684,032	<u>\$ 49,937,126</u>

Non-SPLOST expenditures funded by grants and contributions:

New Transportation Center	3,549,389
City Sidewalks and Streetscape	187,547
Underground Utility Installation	2,722,441
Total SPLOST VII expenditures	<u>\$ 15,143,409</u>

CITY OF ALBANY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE

LOCAL OPTION SALES TAX PROCEEDS

2010 SPECIAL CITY SALES TAX

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
Airport Improvements	\$ 3,992,000	\$ 4,272,378	\$ 4,272,378	\$ -	\$ 4,272,378
Civic Center Improvements	350,000	350,000	225,236	-	225,236
Sanitary and Storm Drainage Improvements	9,000,000	22,262,742	17,167,377	10,830	17,178,207
Broad Avenue Bridge	7,000,000	40,764	40,764	-	40,764
Roadway, Traffic Safety, and Sidewalk Improvements	11,501,500	14,079,050	10,663,584	-	10,663,584
Fire Department Improvements	3,198,184	5,409,341	5,409,341	-	5,409,341
911 Center Upgrade	2,850,000	2,212,893	2,212,893	-	2,212,893
Public Safety Improvements	487,100	2,823,789	2,639,790	163,905	2,803,695
APD Technology Project	2,551,000	1,499,474	1,499,474	-	1,499,474
Alley Paving Improvements	3,684,216	4,548,323	4,547,434	889	4,548,323
Technology and Communications Improvements	1,500,000	1,100,438	1,100,438	-	1,100,438
Riverfront Development Improvements	250,000	250,000	35,422	-	35,422
Transit System Improvements	4,380,000	4,594,777	4,594,777	-	4,594,777
Solid Waste Improvements	615,000	609,407	609,407	-	609,407
Historical and Cultural Improvements	276,000	250,000	3,250	-	3,250
Recreational Facility Improvements	2,750,000	2,977,257	1,975,580	-	1,975,580
City-Owned Facility Improvements	500,000	6,728	6,728	-	6,728
New Senior Center	3,000,000	3,292,382	3,292,382	-	3,292,382
Chehaw Park Improvements	1,750,000	2,080,078	1,617,712	74,586	1,692,298
Community Swimming Pool - East Albany	1,000,000	1,442,859	1,442,859	-	1,442,859
Thronateeska Improvements	2,000,000	2,099,378	2,099,378	-	2,099,378
Chamber of Commerce Improvements	85,000	85,000	85,000	-	85,000
Debt Service - Interest on SPLOST bonds	-	991,000	1,832,344	86,868	1,919,212
Total	<u>\$ 62,720,000</u>	<u>\$ 77,278,058</u>	<u>\$ 67,373,548</u>	<u>\$ 337,078</u>	<u>\$ 67,710,626</u>

CITY OF ALBANY, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX PROCEEDS
2004 SPECIAL CITY SALES TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Project	Estimated Cost		Expenditures		Cumulative Total
	Original	Current	Prior Years	Current Year	
Airport Improvements	\$ 1,703,200	\$ 1,703,018	\$ 1,703,018	\$ -	\$ 1,703,018
Civic Center Improvements	2,560,000	2,523,271	2,523,271	-	2,523,271
Engineering	13,850,000	14,092,496	6,849,785	-	6,849,785
Civic Center Debt Retirement	5,500,000	6,669,376	6,669,376	-	6,669,376
Fire Department Equipment	1,500,000	1,497,428	1,497,428	-	1,497,428
Public Safety Communications and Equipment	150,000	145,757	145,756	-	145,756
Public Works	6,810,000	6,683,856	6,683,857	-	6,683,857
Recreation	5,000,000	5,091,062	5,091,062	-	5,091,062
800 MHZ Radio Upgrade, Tower	6,800,000	6,572,933	6,572,933	-	6,572,933
GPS/GIS Information Infrastructure Mapping	1,500,000	1,500,148	1,500,148	-	1,500,148
Fire Training Facility	1,500,000	1,727,629	1,727,629	-	1,727,629
GIS/Color Infrared Photos	750,000	750,000	718,686	-	718,686
Disparity Study	350,000	339,871	339,871	-	339,871
Riverfront Development Projects	8,650,000	5,054,082	5,054,082	-	5,054,082
Thronateeska Improvements	3,500,000	3,927,802	3,927,801	-	3,927,801
Civil Rights Museum Expansion	3,750,000	4,035,383	4,035,383	-	4,035,383
Chehaw Park Improvements	2,000,000	1,999,341	1,999,341	-	1,999,341
East Broad Lead Clean-up	-	1,559,747	1,521,899	1,000	1,522,899
Debt Service - Principal on SPLOST bonds	-	-	14,000,000	-	14,000,000
Debt Service - Interest on SPLOST bonds	-	-	2,220,534	-	2,220,534
Total	<u>\$ 65,873,200</u>	<u>\$ 65,873,200</u>	<u>\$ 74,781,860</u>	<u>\$ 1,000</u>	<u>\$ 74,782,860</u>

Expenditures per above schedules:

2016 Special City Sales Tax	\$ 15,143,409
2010 Special City Sales Tax	337,078
2004 Special City Sales Tax	1,000
	<u>\$ 15,481,487</u>

Expenditures per Statement of
Revenue, Expenditures and

Changes in Fund Balance	\$ 16,444,432
Principal on debt obligations	(962,945)
Expenditures per SPLOST Fund	<u>\$ 15,481,487</u>

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION (UNAUDITED)

This part of the City of Albany, Georgia's (the "City") Annual Comprehensive Financial Report 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.

Contents

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Financial Trends..... 136 –144

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

Revenue Capacity 145 – 149

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity 150 – 154

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

Demographic and Economic Information.....155 and 156

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information 157 – 159

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

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

Note: Unless otherwise noted, the financial information in these schedules do not include the City's discretely presented component units.

CITY OF ALBANY, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	\$ 78,550,845	\$ 71,425,125	\$ 83,974,584	\$ 97,680,943	\$ 96,269,861	\$ 99,138,138	\$ 94,827,694	\$ 94,138,901	\$ 92,553,942	\$ 93,032,680
Restricted	38,366,853	36,560,923	31,967,383	22,747,421	25,715,167	27,403,396	33,425,202	46,807,746	63,797,194	86,273,741
Unrestricted	43,484,743	22,864,246	27,874,503	38,745,532	19,574,711	2,907,141	(1,237,446)	(7,619,429)	(10,525,957)	(21,865,683)
Total governmental activities net position	<u>\$ 160,402,441</u>	<u>\$ 130,850,294</u>	<u>\$ 143,816,470</u>	<u>\$ 159,173,896</u>	<u>\$ 141,559,739</u>	<u>\$ 129,448,675</u>	<u>\$ 127,015,450</u>	<u>\$ 133,327,218</u>	<u>\$ 145,825,179</u>	<u>\$ 157,440,738</u>
Business-type activities:										
Net investment in capital assets	\$ 169,002,698	\$ 172,427,764	\$ 173,637,702	\$ 176,006,160	\$ 177,969,653	\$ 168,121,755	\$ 200,711,916	\$ 202,081,561	\$ 214,680,411	\$ 242,592,313
Restricted	6,077,401	8,944,173	9,006,514	9,068,681	8,789,909	9,010,097	2,796,103	2,796,103	-	-
Unrestricted	21,348,097	15,870,320	25,522,956	26,780,667	34,456,676	49,727,364	55,187,097	74,386,376	84,368,307	91,883,655
Total business-type activities net position	<u>\$ 196,428,196</u>	<u>\$ 197,242,257</u>	<u>\$ 208,167,172</u>	<u>\$ 211,855,508</u>	<u>\$ 221,216,238</u>	<u>\$ 226,859,216</u>	<u>\$ 258,695,116</u>	<u>\$ 279,264,040</u>	<u>\$ 299,048,718</u>	<u>\$ 334,475,968</u>
Primary government:										
Net investment in capital assets	\$ 247,553,543	\$ 243,852,889	\$ 257,612,286	\$ 273,687,103	\$ 274,239,514	\$ 267,259,893	\$ 295,539,610	\$ 296,220,462	\$ 307,234,353	\$ 335,624,993
Restricted	44,444,254	45,505,096	40,973,897	31,816,102	34,505,076	36,413,493	36,221,305	49,603,849	63,797,194	86,273,741
Unrestricted	64,832,840	38,734,566	53,397,459	65,526,199	54,031,387	52,634,505	53,949,651	66,766,947	73,842,350	70,017,972
Total primary government net position	<u>\$ 356,830,637</u>	<u>\$ 328,092,551</u>	<u>\$ 351,983,642</u>	<u>\$ 371,029,404</u>	<u>\$ 362,775,977</u>	<u>\$ 356,307,891</u>	<u>\$ 385,710,566</u>	<u>\$ 412,591,258</u>	<u>\$ 444,873,897</u>	<u>\$ 491,916,706</u>

CITY OF ALBANY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Primary government										
Governmental activities:										
General government	\$ 11,676,280	\$ 7,580,735	\$ 13,149,259	\$ 13,907,384	\$ 10,182,547	\$ 25,163,491	\$ 21,577,043	\$ 22,605,390	\$ 22,598,580	\$ 20,261,477
Judicial	1,161,891	1,114,238	1,142,848	1,150,395	1,207,165	1,216,573	1,265,512	1,332,921	1,398,528	1,282,456
Public safety	35,504,804	34,819,323	33,992,566	36,434,952	34,632,491	37,619,568	38,635,968	46,115,280	40,641,557	47,456,578
Public works	12,075,120	8,154,192	9,022,331	9,360,884	11,225,072	12,857,791	12,068,924	9,919,575	8,408,584	14,761,318
Parks and recreation	7,174,684	5,796,910	7,750,411	7,578,570	7,473,268	9,426,349	7,718,895	8,562,860	8,182,604	9,560,022
Community development	5,680,377	7,202,674	3,743,861	6,999,183	6,301,517	6,748,327	6,487,192	7,357,658	7,215,055	5,970,099
Community service	434,420	232,364	379,747	493,093	495,647	494,888	482,403	454,521	537,086	519,407
Interest and fiscal changes	914,022	901,640	648,357	682,044	627,757	609,239	572,980	664,294	644,012	636,694
Total governmental activities expenses	74,621,598	65,802,076	69,829,380	76,606,505	72,145,464	94,136,226	88,808,917	97,012,499	89,626,006	100,448,051
Business-type activities:										
Sanitary sewer	12,822,696	12,268,460	12,094,253	13,478,400	12,874,269	13,929,469	15,126,247	12,821,898	13,498,318	14,355,059
Solid waste	8,116,940	8,946,091	8,908,087	10,079,015	11,290,932	7,651,569	10,393,972	9,592,518	11,604,178	12,174,936
Airport	2,626,374	2,966,447	3,494,862	3,635,803	3,993,128	4,053,762	3,468,943	3,734,791	4,497,915	4,245,802
Water, gas and light	106,533,670	-	-	-	-	-	-	-	-	-
Water	-	10,223,707	9,511,549	11,350,093	11,156,709	10,752,410	11,478,768	10,370,117	11,659,782	12,032,657
Light	-	96,684,785	88,893,351	95,011,447	86,150,688	90,712,268	84,723,184	78,586,950	73,890,451	75,806,643
Gas	-	11,112,701	11,191,545	15,726,147	14,822,635	11,201,256	12,362,981	12,967,660	19,777,234	18,175,732
Telecommunications	-	3,621,346	3,101,115	3,212,149	2,973,103	3,099,818	3,300,730	3,110,467	3,179,036	3,329,315
Stormwater	-	5,470,230	5,477,062	13,389,437	5,791,487	14,553,068	5,642,321	4,749,578	6,810,349	6,926,379
Transit	3,717,068	4,534,919	3,822,213	4,074,127	6,416,909	5,752,566	6,122,921	7,082,565	5,281,212	5,420,148
Civic Center	1,779,313	2,308,789	1,813,508	2,214,111	1,481,978	3,268,521	2,920,522	2,805,519	4,351,421	3,993,371
Total business-type activities expenses	135,596,061	158,137,475	148,307,545	172,170,729	156,951,838	164,974,707	155,540,589	145,822,063	154,549,896	156,460,042
Total primary government expenses	210,217,659	223,939,551	218,136,925	248,777,234	229,097,302	259,110,933	244,349,506	242,834,562	244,175,902	256,908,093

(Continued)

CITY OF ALBANY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program revenues										
Primary government										
Governmental activities										
Charges for services:										
General government	\$ 1,082,203	\$ 1,188,303	\$ 1,192,066	\$ 978,011	\$ 1,968,719	\$ 1,691,373	\$ 1,877,940	\$ 1,447,415	\$ 1,850,341	\$ 2,081,488
Public safety	3,135,111	2,966,355	3,130,513	3,051,168	2,596,832	2,616,957	2,312,552	2,519,671	3,878,292	6,014,659
Public works	793,518	775,990	710,838	986,544	1,113,623	2,202,890	1,238,078	1,253,588	8,542,834	6,584,523
Parks and recreation	148,160	130,937	114,769	125,869	221,683	258,437	215,773	278,433	310,764	449,111
Community development	(978,163)	1,383,430	1,394,517	1,263,426	1,072,640	822,119	1,357,718	1,191,457	1,379,554	1,287,677
Operating grants and contributions	7,789,779	11,377,521	12,658,215	13,190,186	12,963,827	12,553,452	12,891,508	17,236,767	14,800,263	14,074,728
Capital grants and contributions	12,863,878	12,565,452	12,356,837	23,981,989	11,476,443	12,031,619	22,019,328	23,777,949	24,765,441	27,062,855
Total governmental activities										
program revenues	24,834,486	30,387,988	31,557,755	43,577,193	31,413,767	32,176,847	41,912,897	47,705,280	55,527,489	57,555,041
Business-type activities										
Charges for services:										
Sanitary sewer	14,311,708	12,873,459	14,429,200	14,844,008	14,681,041	15,252,213	14,750,327	15,660,522	17,769,073	21,040,229
Solid waste	9,454,958	9,854,717	9,647,082	9,875,694	9,958,217	10,213,739	10,397,096	11,526,728	12,308,250	13,513,828
Airport	822,283	835,299	832,128	1,055,894	1,070,668	1,134,942	1,008,322	1,039,835	1,307,397	1,273,084
Water, gas and light	124,653,672	-	-	-	-	-	-	-	-	-
Water	-	11,934,909	11,313,068	12,535,266	11,768,730	12,246,394	12,221,701	11,934,273	11,603,343	12,043,731
Light	-	116,439,184	110,012,176	107,560,618	107,846,750	102,051,612	100,127,774	103,295,038	90,268,480	93,974,452
Gas	-	15,453,714	15,463,910	15,765,267	17,661,084	17,879,460	15,849,064	16,835,323	19,863,689	20,841,507
Telecommunications	-	2,737,692	2,254,568	2,630,955	2,996,914	3,234,427	3,063,942	3,057,456	3,397,372	9,868,243
Transit	577,991	581,488	522,454	493,657	810,498	793,385	586,720	545,708	557,192	424,738
Stormwater	723,807	3,606,753	2,824,693	4,281,447	4,267,102	7,586,623	4,202,888	4,216,105	5,654,137	6,040,721
Civic Center	311,474	307,969	315,437	337,174	271,409	1,285,296	1,038,799	475,071	2,371,587	1,711,184
Operating grants and contributions	1,023,046	1,049,408	1,239,904	15,709,353	2,638,205	1,095,785	6,053,256	5,212,868	2,331,168	2,140,827
Capital grants and contributions	2,691,726	3,673,081	1,989,102	965,708	3,149,058	2,859,625	18,766,213	5,075,481	8,848,167	13,333,685
Total business-type activities										
program revenues	154,570,665	179,347,673	170,843,722	186,055,041	177,119,676	175,633,501	188,066,102	178,874,408	176,279,855	196,206,229
Total primary government program revenues										
revenues	179,405,151	209,735,661	202,401,477	229,632,234	208,533,443	207,810,348	229,978,999	226,579,688	231,807,344	253,761,270

(Continued)

CITY OF ALBANY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General revenues and other changes in net position										
Primary government										
Governmental activities:										
Taxes	\$ 36,525,275	\$ 37,984,905	\$ 37,841,772	\$ 37,968,441	\$ 38,021,997	\$ 40,370,706	\$ 40,273,672	\$ 42,488,377	\$ 43,483,907	\$ 43,281,435
Investment earnings	1,649,063	770,805	1,331,409	38,620	55,045	3,513,176	2,191,213	85,369	614,703	5,175,257
Gain on sale of assets	-	215,122	-	-	-	-	-	-	6,675	40,893
Transfers	13,885,747	3,142,238	12,064,620	10,379,677	11,114,425	5,964,433	1,997,910	13,045,241	2,375,326	6,010,984
Total governmental activities general revenues and other changes in net position	52,060,085	42,113,070	51,237,801	48,386,738	49,191,467	49,848,315	44,462,795	55,618,987	46,480,611	54,508,569
Business-type activities:										
Investment earnings	657,412	118,782	401,121	63,633	193,373	822,611	1,040,711	342,485	123,054	1,490,834
Gain on sale of capital assets	220,802	122,251	52,237	120,068	113,944	126,006	267,586	219,335	306,991	201,213
Transfers	(13,885,747)	(3,142,238)	(12,064,620)	(10,379,677)	(11,114,425)	(5,964,433)	(1,997,910)	(13,045,241)	(2,375,326)	(6,010,984)
Total business-type activities general revenues and other changes in net position	(13,007,533)	(2,901,205)	(11,611,262)	(10,195,976)	(10,807,108)	(5,015,816)	(689,613)	(12,483,421)	(1,945,281)	(4,318,937)
Total primary government general revenues and other changes in net position	39,052,552	39,211,865	39,626,539	38,190,762	38,384,359	44,832,499	43,773,182	43,135,566	44,535,330	50,189,632
Change in net position:										
Governmental activities	2,272,973	6,698,982	12,966,176	15,357,426	8,459,770	(12,111,064)	(2,433,225)	6,311,768	12,382,094	11,615,559
Business-type activities	5,967,071	18,308,993	10,924,915	3,688,336	9,360,730	5,642,978	31,835,900	20,568,924	19,784,678	35,427,250
Total primary government change in net position	\$ 8,240,044	\$ 25,007,975	\$ 23,891,091	\$ 19,045,762	\$ 17,820,500	\$ (6,468,086)	\$ 29,402,675	\$ 26,880,692	\$ 32,166,772	\$ 47,042,809

CITY OF ALBANY, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (Accrual Basis of Accounting)

Fiscal Year	Property Tax	Sales Tax	Hotel/Motel Tax	Franchise Tax	Insurance Premium Tax	Alcoholic Beverage Taxes	Other Taxes	Total
2014	\$ 16,761,694	\$ 8,658,079	\$ 1,727,832	\$ 1,891,363	\$ 3,994,353	\$ 1,347,638	\$ 2,144,316	\$ 36,525,275
2015	16,875,088	9,572,282	1,936,155	1,884,155	4,176,385	1,365,006	2,175,834	37,984,905
2016	16,315,586	9,683,370	1,994,981	1,915,178	4,461,781	1,339,383	2,131,493	37,841,772
2017	16,085,219	9,399,871	2,335,898	1,786,847	4,832,976	1,361,278	2,166,352	37,968,441
2018	16,202,550	9,271,522	2,270,461	1,675,797	5,146,339	1,310,153	2,145,175	38,021,997
2019	16,303,721	10,717,485	2,609,321	1,737,194	5,550,079	1,316,709	2,136,197	40,370,706
2020	17,004,970	10,270,780	2,092,826	1,642,295	5,895,190	1,265,596	2,102,015	40,273,672
2021	17,635,505	11,033,618	2,081,407	1,674,610	6,218,999	1,395,230	2,449,008	42,488,377
2022	17,028,146	11,948,598	2,585,294	1,846,966	6,422,120	1,336,330	2,316,453	43,483,907
2023	17,181,912	12,643,630	2,493,606	1,736,181	5,657,982	1,279,251	2,288,873	43,281,435

CITY OF ALBANY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable	\$ 235,771	\$ 239,125	\$ 418,534	\$ 478,845	\$ 137,298	\$ 6,589,437	\$ 4,757,163	\$ 221,650	\$ 218,941	\$ 253,363
Restricted	38,470	72,016	142,319	37,996	12,599	15,510	13,120	-	304	131,057
Committed	-	-	-	-	-	-	-	5,043,603	791,664	593,597
Assigned	755,119	764,879	792,672	817,258	840,253	863,339	888,636	917,257	946,497	969,455
Unassigned	16,461,430	20,403,856	26,046,316	28,922,087	31,482,500	25,037,962	24,842,534	28,628,324	34,256,614	35,574,981
Total General Fund	<u>\$ 17,490,790</u>	<u>\$ 21,479,876</u>	<u>\$ 27,399,841</u>	<u>\$ 30,256,186</u>	<u>\$ 32,472,650</u>	<u>\$ 32,506,248</u>	<u>\$ 30,501,453</u>	<u>\$ 34,810,834</u>	<u>\$ 36,214,020</u>	<u>\$ 37,522,453</u>
All Other Governmental Funds										
Nonspendable, reported in:										
Capital projects funds	\$ 666,092	\$ 436,596	\$ 71,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	200	746	1,299	3,534	3,534
Restricted, reported in:										
Special revenue funds	4,593,080	3,625,897	1,747,032	3,046,206	2,497,042	2,097,986	1,847,721	2,112,553	2,052,395	2,745,804
Capital projects funds	40,803,181	40,811,186	38,543,270	29,074,158	32,621,800	33,183,596	41,360,636	52,955,917	68,578,926	90,674,471
Committed, reported in:										
Special revenue funds	16,003,179	19,220,954	21,784,820	23,064,621	23,801,400	24,674,308	25,217,258	23,713,688	25,081,626	25,239,201
Capital projects funds	6,484,444	6,656,593	8,631,796	18,692,544	19,631,650	15,632,552	15,321,696	15,552,078	15,159,759	755,645
Assigned, reported in:										
Special revenue funds	26,214	-	920,791	-	-	-	-	-	-	-
Unassigned, reported in:										
Special revenue funds	(289,994)	(346,297)	(622,493)	(1,948,552)	(1,975,427)	(2,623,905)	(2,663,182)	(2,627,177)	(2,624,207)	(2,440,603)
Total all other governmental funds	<u>\$ 68,286,196</u>	<u>\$ 70,404,929</u>	<u>\$ 71,077,158</u>	<u>\$ 71,928,977</u>	<u>\$ 76,576,465</u>	<u>\$ 72,964,737</u>	<u>\$ 81,084,875</u>	<u>\$ 91,708,358</u>	<u>\$ 108,252,033</u>	<u>\$ 116,978,052</u>
Total Governmental Funds	<u>\$ 85,776,986</u>	<u>\$ 91,884,805</u>	<u>\$ 98,476,999</u>	<u>\$ 102,185,163</u>	<u>\$ 109,049,115</u>	<u>\$ 105,470,985</u>	<u>\$ 111,586,328</u>	<u>\$ 126,519,192</u>	<u>\$ 144,466,053</u>	<u>\$ 154,500,505</u>

CITY OF ALBANY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes	\$ 36,525,275	\$ 37,984,905	\$ 37,841,772	\$ 37,968,441	\$ 38,021,996	\$ 40,370,706	\$ 39,562,412	\$ 43,199,637	\$ 43,483,907	\$ 43,281,435
Licenses and permits	783,927	1,077,712	926,040	848,971	889,910	1,250,806	1,067,313	1,101,617	1,303,309	1,676,077
Intergovernmental	20,363,265	23,637,097	24,600,285	24,648,602	24,100,384	24,279,397	33,758,761	41,540,143	38,634,756	39,602,504
Charges for services	3,263,308	3,134,717	3,032,948	3,325,985	2,372,064	2,766,369	2,726,362	2,915,630	2,936,609	3,070,329
Fines and forfeitures	1,579,801	1,493,362	1,425,005	1,538,831	1,163,545	931,776	708,259	782,618	2,202,595	4,259,327
Interest revenues (loss)	1,895,678	1,012,185	1,523,845	273,965	298,954	3,748,605	2,458,506	229,461	(3,637,824)	1,137,754
Other revenues	1,610,391	1,049,143	1,694,374	1,269,818	3,179,070	3,657,195	3,331,361	2,676,714	10,886,123	9,722,394
Total revenues	66,021,645	69,389,121	71,044,269	69,874,613	70,025,923	77,004,854	83,612,974	92,445,820	95,809,475	102,749,820
Expenditures:										
Current:										
General government	8,894,145	9,986,311	11,160,530	11,696,791	10,627,987	12,186,679	12,564,728	11,982,196	13,668,783	14,214,151
Judicial	1,161,195	1,133,837	1,144,699	1,147,243	1,205,406	1,156,564	1,256,374	1,322,625	1,385,167	1,338,659
Public safety	33,231,203	33,290,879	32,054,789	32,873,477	33,936,567	34,252,123	36,104,995	36,936,319	36,679,919	42,910,267
Public works	7,917,956	5,168,600	4,485,266	5,986,409	6,155,568	5,422,379	5,315,017	4,304,688	4,493,315	4,688,932
Parks and recreation	4,938,351	5,175,991	7,316,238	6,666,921	6,310,929	7,398,550	6,685,307	6,591,031	6,842,780	7,756,281
Community development	5,956,369	6,107,922	5,025,042	6,795,980	6,216,592	6,213,211	5,939,949	6,814,303	6,695,182	5,477,529
Community service	433,840	416,319	379,747	493,093	495,647	494,888	482,403	454,521	543,499	577,140
Capital outlay	10,466,590	8,539,367	10,057,359	7,726,815	9,352,345	30,532,235	23,205,998	19,600,670	17,813,835	24,583,844
Debt service:										
Principal	585,000	4,391,250	5,640,000	5,215,000	580,000	580,000	590,000	563,207	1,610,708	1,626,945
Interest and fiscal charges	1,127,246	1,097,687	897,328	764,756	608,804	599,065	561,699	630,767	645,519	641,643
Total expenditures	74,711,895	75,308,163	78,160,998	79,366,485	75,489,845	98,835,694	92,706,470	89,200,327	90,378,707	103,815,391
Excess (deficiency) of revenues over (under) expenditures	(8,690,250)	(5,919,042)	(7,116,729)	(9,491,872)	(5,463,922)	(21,830,840)	(9,093,496)	3,245,493	5,430,768	(1,065,571)

(Continued)

CITY OF ALBANY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other financing sources (uses)										
Transfers in	\$ 19,936,864	\$ 20,056,046	\$ 24,018,135	\$ 23,912,309	\$ 24,418,484	\$ 27,379,953	\$ 18,448,195	\$ 21,196,411	\$ 18,602,187	\$ 19,576,716
Transfers out	(5,210,378)	(8,484,926)	(10,410,077)	(11,888,876)	(12,168,702)	(14,703,149)	(10,924,418)	(10,908,267)	(8,063,101)	(8,780,630)
Investment fees	-	-	-	(456)	-	5,316,250	7,009,396	2,674,356	-	-
Sale of capital assets	640,296	455,741	100,865	1,177,059	78,092	259,656	675,666	355,796	346,082	303,937
Total other financing sources (uses), net	15,366,782	12,026,861	13,708,923	13,200,036	12,327,874	18,252,710	15,208,839	13,318,296	10,885,168	11,100,023
Net change in fund balances	<u>\$ 6,676,532</u>	<u>\$ 6,107,819</u>	<u>\$ 6,592,194</u>	<u>\$ 3,708,164</u>	<u>\$ 6,863,952</u>	<u>\$ (3,578,130)</u>	<u>\$ 6,115,343</u>	<u>\$ 16,563,789</u>	<u>\$ 16,315,936</u>	<u>\$ 10,034,452</u>
Debt service as a percentage of noncapital expenditures	2.67%	8.22%	9.60%	8.35%	1.80%	1.73%	1.66%	1.72%	3.04%	2.50%

CITY OF ALBANY, GEORGIA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (Modified Accrual Basis of Accounting)

Fiscal Year	Property Tax	Sales Tax	Hotel/Motel Tax	Franchise Tax	Insurance Premium Tax	Alcoholic Beverage Tax	Other Taxes	Total
2014	\$ 16,761,694	\$ 8,658,079	\$ 1,727,832	\$ 1,891,363	\$ 3,994,353	\$ 1,347,638	\$ 2,144,316	\$ 36,525,275
2015	16,875,088	9,572,282	1,936,155	1,884,155	4,176,385	1,365,006	2,175,834	37,984,905
2016	16,315,585	9,683,370	1,994,981	1,915,178	4,461,781	1,339,383	2,131,493	37,841,771
2017	16,085,220	9,399,871	2,335,898	1,786,847	4,832,976	1,361,278	2,166,352	37,968,442
2018	16,202,551	9,271,522	2,270,461	1,675,797	5,146,339	1,310,153	2,145,175	38,021,998
2019	16,303,721	10,717,485	2,609,321	1,737,194	5,550,079	1,316,709	2,136,197	40,370,706
2020	16,293,710	10,270,780	2,092,826	1,642,295	5,895,190	1,265,596	2,102,015	39,562,412
2021	17,635,505	11,744,878	2,081,407	1,674,610	6,218,999	1,395,230	2,449,008	43,199,637
2022	17,028,146	11,948,598	2,585,294	1,846,966	6,422,120	1,336,330	2,316,453	43,483,907
2023	17,181,912	12,643,630	2,493,606	1,736,181	5,657,982	1,279,251	2,288,873	43,281,435

CITY OF ALBANY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (Dollar Amounts Expressed in Thousands)

Fiscal Year	Real Property		Personal Property		Exemptions	Total		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	
2014	\$ 1,185,778	\$ 2,964,445	\$ 472,394	\$ 1,180,985	\$ 133,147	\$ 1,518,770	\$ 3,796,925	9.99
2015	1,178,638	2,946,595	473,333	1,183,333	133,575	1,525,025	3,812,563	9.99
2016	1,205,452	3,013,630	434,038	1,085,095	114,956	1,518,396	3,795,990	9.85
2017	1,196,942	2,992,355	311,787	779,468	108,671	1,524,534	3,811,335	9.81
2018	1,165,269	2,913,173	331,274	828,185	118,515	1,400,058	3,500,145	9.80
2019	1,153,131	2,882,828	374,461	936,153	261,957	1,378,028	3,445,070	9.80
2020	1,166,845	2,917,113	380,384	950,960	179,495	1,265,635	3,164,088	9.73
2021	1,198,181	2,995,453	344,165	860,413	118,828	1,423,518	3,558,795	9.69
2022	1,211,118	3,027,795	338,876	847,190	130,714	1,419,280	3,548,200	9.63
2023	1,213,372	3,033,430	351,047	877,618	128,162	1,436,257	3,590,643	9.60

SOURCE:

Dougherty County Tax Department

NOTES:

Property is assessed at 40% of actual value. Actual taxable value is calculated by dividing assessed value by 40%.

Tax rates are per \$1,000 of assessed value.

CITY OF ALBANY, GEORGIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	City of Albany Millage			Dougherty County Millage			Board of Education Millage			Other (State of Georgia)	Total
	Operating	Debt Service	Total City	Operating	Debt Service	Total County	Operating	Debt Service	Total School		
2014	9.990	0.000	9.990	11.894	0.000	11.894	18.445	0.000	18.445	0.15	40.479
2015	9.990	0.000	9.990	11.894	0.000	11.894	18.445	0.000	18.445	0.10	40.429
2016	9.853	0.000	9.853	12.594	0.000	12.594	18.445	0.000	18.445	0.05	40.942
2017	9.808	0.000	9.808	12.577	0.000	12.577	18.445	0.000	18.445	0.00	40.830
2018	9.804	0.000	9.804	15.644	0.000	15.644	18.433	0.000	18.433	0.00	43.881
2019	9.804	0.000	9.804	15.569	0.000	15.569	18.433	0.000	18.433	0.00	43.806
2020	9.729	0.000	9.729	15.569	0.000	15.569	18.323	0.000	18.323	0.00	43.621
2021	9.688	0.000	9.688	15.569	0.000	15.569	18.219	0.000	18.219	0.00	43.476
2022	9.631	0.000	9.631	15.569	0.000	15.569	18.154	0.000	18.154	0.00	43.354
2023	9.597	0.000	9.597	19.069	0.000	19.069	18.096	0.000	18.096	0.00	46.762

SOURCE:

Dougherty County Tax Department

NOTE:

Tax rates are per \$1,000 of assessed value.

CITY OF ALBANY, GEORGIA

TAXABLE SALES TAX DISTRIBUTION BY CATEGORY LAST TEN CALENDAR YEARS (1)

By Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Accommodations	\$ 150,647	\$ 212,981	\$ 252,666	\$ 254,119	\$ 293,483	\$ 278,598	\$ 309,249	\$ 215,918	\$ 259,673	\$ 318,220
Auto	809,709	405,402	457,114	492,916	497,317	477,652	507,963	526,461	506,133	542,588
Construction	111,938	124,959	124,552	141,705	122,538	195,634	158,844	128,596	124,902	142,664
Food/bars	2,635,805	2,728,280	2,752,437	2,802,077	2,769,641	2,619,736	2,798,393	2,704,157	3,128,299	3,210,167
General merch	2,813,640	2,706,866	2,908,392	2,683,989	2,682,038	2,661,464	3,881,593	4,313,621	3,622,416	3,513,586
Home furnishing	882,216	905,995	894,054	848,016	974,369	967,545	977,462	1,010,309	1,108,344	1,141,291
Manufacturing	1,291,861	1,109,267	827,389	765,754	807,956	863,709	930,456	850,290	941,939	1,011,488
Miscellaneous service	1,142,772	1,502,431	2,382,097	2,363,478	1,337,558	2,368,885	2,417,464	2,172,310	2,277,221	2,336,325
Other retail	2,496,712	2,536,673	2,341,056	2,352,372	2,364,953	2,443,308	2,667,563	2,725,024	3,298,233	3,370,082
Other services	484,220	480,088	418,623	489,180	504,120	796,376	920,755	898,051	1,019,001	1,035,217
Utility	1,174,936	852,254	347,382	345,023	336,978	348,097	497,312	348,093	381,320	347,651
Wholesale	2,035,087	2,115,907	1,793,744	1,513,759	1,508,541	1,544,592	1,574,090	1,310,323	1,630,201	1,957,090
	<u>\$ 16,029,543</u>	<u>\$ 15,681,103</u>	<u>\$ 15,499,506</u>	<u>\$ 15,052,388</u>	<u>\$ 14,199,492</u>	<u>\$ 15,565,596</u>	<u>\$ 17,641,144</u>	<u>\$ 17,203,153</u>	<u>\$ 18,297,682</u>	<u>\$ 18,926,369</u>

SOURCE:

Georgia Department of Revenue, Local Government Services Division

NOTE:

(1) Information only available for Dougherty County

CITY OF ALBANY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	Fiscal Year 2023			Fiscal Year 2014		
		2022 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2013 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Mars Confectionary US LLC	Confectioner	\$ 17,226,504	1	1.09 %	\$ 10,765,002	3	0.71 %
Georgia Power Co	Utility	14,722,675	2	0.93	6,443,820	10	0.42
F M C Corp A P G	Farm Product Material Whoesaler	9,729,295	3	0.61	-		-
Strategic Equipment Inc	Equipment Wholesaler	8,427,109	4	0.53	-		-
The Kroger Co DBA Tara Foods	Grocery Stores	7,437,315	5	0.47	-		-
Georgia Pacific Corrugated LLC	Pulp and Paper Company	7,179,287	6	0.45	-		-
Brooks Famiglia LLLP	Real Estate Management Company	6,836,289	7	0.43	-		-
Princeton Place GR LLC	Real Estate/Leasing/Rental	6,651,640	8	0.42	-		-
Yancey Bros Co	Machinery Retailer	6,368,808	9	0.40	-		-
Phoebe Putney Health System Inc	Hospital / Medical	5,983,319	10	0.38	-		-
Flint River Albany RE LLC	Warehousing	-		-	7,766,298	5	0.51
Albany Mall HP LLC	Mall developer	-		-	12,525,452	2	0.82
Mediacom	Cable distributor	-		-	6,636,226	8	0.44
BellSouth Communications	Telecommunications	-		-	14,536,033		0.95
Alliance	Apartments	-		-	6,563,560	7	0.43
Wal-Mart / Sam's Club	Retailer	-		-	9,799,696	4	0.64
Allied Wireless	Telecommunications	-		-	7,153,348	6	0.47
Brooks, Robert N Sr	Real Estate Investor	-		-	6,549,227	9	0.43
		<u>\$ 90,562,241</u>		<u>5.72 %</u>	<u>\$ 88,738,662</u>		<u>5.82 %</u>

SOURCE:

Dougherty County Tax Department

NOTES:

2014 from City of Albany Annual Comprehensive Financial Report for the fiscal year ended June 30, 2014

CITY OF ALBANY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Dollar Amounts Expressed in Thousands)

Fiscal Year	Total Tax Levy for Fiscal Year	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	\$ 13,745	\$ 13,480	98.07 %	\$ 238	\$ 13,718	99.80 %
2015	13,834	13,496	97.56	303	13,799	99.75
2016	13,741	13,495	98.21	212	13,707	99.75
2017	13,740	13,273	96.60	430	13,703	99.73
2018	13,721	13,281	96.79	380	13,661	99.56
2019	13,783	13,231	96.00	500	13,731	99.62
2020	13,731	13,148	95.75	536	13,684	99.66
2021	13,763	13,216	96.03	499	13,715	99.65
2022	13,669	13,283	97.18	322	13,605	99.53
2023	13,784	13,297	96.47	-	13,297	96.47

SOURCE:
Dougherty County Tax Department

CITY OF ALBANY, GEORGIA

RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Notes Payable	Revenue Bonds	Notes Payable	Financed Purchases from Direct Borrowings	Intergovernmental Agreement			
2014	\$ 16,578,912	\$ 10,000,000	\$ 3,331,250	\$ 35,332,348	\$ -	\$ 412,137	\$ -	\$ 65,654,647	4.24%	861.78
2015	12,276,044	10,000,000	3,000,000	26,880,135	-	-	-	52,156,179	3.18%	688.36
2016	7,119,973	10,000,000	2,325,000	22,401,656	1,412,533	-	-	43,259,162	2.55%	578.00
2017	2,110,000	10,000,000	2,025,000	17,747,464	1,659,427	-	-	33,541,891	2.01%	454.49
2018	1,830,000	10,000,000	1,725,000	12,932,680	1,584,156	-	-	28,071,836	1.69%	383.61
2019	1,550,000	10,000,000	6,741,250	8,263,203	1,507,824	18,300,000	-	46,362,277	2.78%	616.12
2020	1,260,000	10,000,000	13,450,646	4,480,000	1,430,417	15,680,000	-	46,301,063	2.77%	641.91
2021	960,000	10,000,000	15,861,795	3,295,000	1,351,918	12,725,000	-	44,193,713	2.72%	634.54
2022	650,000	10,000,000	14,561,087	2,065,000	1,272,314	9,682,000	-	38,230,401	2.02%	553.68
2023	330,000	10,000,000	13,254,142	1,580,000	1,191,588	6,549,000	-	32,904,730	1.78%	489.71

NOTES:

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

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

CITY OF ALBANY, GEORGIA

RATIO 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 Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita</u>
2014	\$ 16,578,912	\$ -	\$ 16,578,912	0.44%	218
2015	12,276,044	-	12,276,044	0.32	162
2016	7,119,973	-	7,119,973	0.19	95
2017	2,110,000	-	2,110,000	0.06	29
2018	1,830,000	-	1,830,000	0.05	25
2019	1,550,000	-	1,550,000	0.04	21
2020	1,260,000	-	1,260,000	0.04	17
2021	960,000	-	960,000	0.03	14
2022	650,000	-	650,000	0.02	9
2023	330,000	-	330,000	0.01	5

NOTES:

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

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

See the Schedule of Assessed Value and Estimated Value of Taxable Property for property value data.

CITY OF ALBANY, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

JUNE 30, 2023

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Albany</u>	<u>Amount Applicable to City of Albany</u>
Direct, City of Albany	\$ 330,000	100 %	\$ 330,000
Overlapping, Dougherty County Board of Education	33,369,372	81	27,029,191
	<u>\$ 33,699,372</u>		<u>\$ 27,359,191</u>

SOURCE:

Dougherty County Board of Education information provided by the Dougherty County Board of Education.

NOTES:

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

CITY OF ALBANY, GEORGIA

LEGAL DEBT MARGIN LAST TEN FISCAL YEARS (Dollar Amounts Expressed in Thousands)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
LEGAL DEBT MARGIN										
Debt limit	\$ 159,382	\$ 165,186	\$ 165,817	\$ 163,949	\$ 149,654	\$ 152,759	\$ 154,723	\$ 154,235	\$ 154,999	\$ 156,442
Total net debt applicable to limit	16,579	12,276	7,120	7,120	1,830	1,550	1,260	960	650	330
Legal debt margin	<u>\$ 142,803</u>	<u>\$ 152,910</u>	<u>\$ 158,697</u>	<u>\$ 156,829</u>	<u>\$ 147,824</u>	<u>\$ 151,209</u>	<u>\$ 153,463</u>	<u>\$ 153,275</u>	<u>\$ 154,349</u>	<u>\$ 156,112</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>10.40%</u>	<u>7.43%</u>	<u>4.29%</u>	<u>4.34%</u>	<u>1.22%</u>	<u>1.01%</u>	<u>0.81%</u>	<u>0.62%</u>	<u>0.42%</u>	<u>0.21%</u>
LEGAL DEBT MARGIN CALCULATION										
Assessed value	\$ 1,525,025	\$ 1,518,396	\$ 1,524,534	\$ 1,400,058	\$ 1,378,028	\$ 1,265,635	\$ 1,367,734	\$ 1,423,518	\$ 1,419,280	\$ 1,436,257
Add back exempt property	133,147	133,575	114,956	108,671	118,515	261,957	179,495	118,828	130,714	128,162
Total assessed value	<u>1,658,172</u>	<u>1,651,971</u>	<u>1,639,490</u>	<u>1,508,729</u>	<u>1,496,543</u>	<u>1,527,592</u>	<u>1,547,229</u>	<u>1,542,346</u>	<u>1,549,994</u>	<u>1,564,419</u>
Debt limit (10% of total assessed value)	165,817	165,197	163,949	150,873	149,654	152,759	154,723	154,235	154,999	156,442
Debt applicable to limit										
General obligation bonds	16,579	12,276	7,120	2,110	1,830	1,550	1,260	960	650	330
Less amount set aside for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	<u>16,579</u>	<u>12,276</u>	<u>7,120</u>	<u>2,110</u>	<u>1,830</u>	<u>1,550</u>	<u>1,260</u>	<u>960</u>	<u>650</u>	<u>330</u>
Legal debt margin	<u>\$ 149,238</u>	<u>\$ 152,921</u>	<u>\$ 156,829</u>	<u>\$ 148,763</u>	<u>\$ 147,824</u>	<u>\$ 151,209</u>	<u>\$ 153,463</u>	<u>\$ 153,275</u>	<u>\$ 154,349</u>	<u>\$ 156,112</u>

NOTES:

Under State of Georgia law, the City of Albany's outstanding general obligation debt should not exceed 10% of total assessed property value.

The legal debt margin is the difference between the debt limit and the City's net general obligation debt outstanding applicable to the limit, and represents the City's legal borrowing authority.

CITY OF ALBANY, GEORGIA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal Year	Water, Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2014	\$ 139,614,025	\$ 109,790,886	\$ 29,823,139	\$ 7,085,000	\$ 1,313,021	3.55
2015	24,653,467	16,250,850	8,402,617	4,455,000	1,023,688	1.53
2016	26,051,295	16,718,819	9,332,476	4,635,000	849,507	1.70
2017	27,327,241	19,125,526	8,201,715	4,800,000	656,493	1.50
2018	26,459,201	18,226,472	8,232,729	4,660,000	445,630	1.61
2019	27,989,480	20,733,359	7,256,121	3,780,000	255,625	1.80
2020	27,253,382	21,361,696	5,891,686	1,185,000	147,707	4.42
2021	27,632,266	18,797,163	8,835,103	1,230,000	104,163	6.62
2022	29,376,571	18,894,657	10,481,914	485,000	72,353	18.81
2023	33,656,687	20,890,690	12,765,997	505,000	52,702	22.89

NOTES:

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

Water/Sewer Charges and Other includes investment earnings.

Operating expenses do not include depreciation and amortization.

The decrease in 2015 is due to the City separating Water, Gas and Light into individual funds. The above amounts include only those funds with bonded obligations.

CITY OF ALBANY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age ⁽¹⁾	Education Level in Years of Formal Schooling ⁽¹⁾	School Enrollment ⁽²⁾	(%) Unemployment Rate ⁽³⁾
2014	76,185	\$ 1,550,060	\$ 20,346 ⁽¹⁾	31.1	12.8	15,439	8.4%
2015	75,769	1,641,384	21,663 ⁽¹⁾	31.4	12.8	15,157	7.8
2016	74,843	1,694,071	22,635 ⁽¹⁾	31.4	12.7	15,001	6.5
2017	73,801	1,670,486	22,635 ⁽¹⁾	31.4	12.7	14,818	6.1
2018	73,179	1,656,407	22,635 ⁽¹⁾	33.9	12.7	14,479	5.1
2019	75,249	1,669,926	22,192 ⁽¹⁾	35.6	12.8	14,078	4.6
2020	72,130	1,669,016	23,139 ⁽¹⁾	35.6	12.8	13,776	5.5
2021	69,647	1,624,934	23,331 ⁽¹⁾	34.1	12.8	13,454	6.6
2022	69,048	1,894,746	27,441 ⁽¹⁾	34.1	12.8	12,987	4.2
2023	67,192	1,843,816	27,441 ⁽¹⁾	36.3	12.8	13,095	3.9

SOURCES:

⁽¹⁾ Bureau of Census, Bureau of Economic Analysis - Per Capita from deptofnumbers.com - USA.com for Education Level

⁽²⁾ Georgia Department of Education website

⁽³⁾ Bureau of Labor Statistics/State of Georgia - Department of Human Resources

CITY OF ALBANY, GEORGIA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer ⁽¹⁾	Fiscal Year 2023			Fiscal Year 2014 (3)		
	Employees ⁽¹⁾	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Marine Depot Maintenance Command/USMC Logistic Base	3,940	1	6.27 %	5,000	1	7.79 %
Phoebe Putney Health System	3,573	2	5.69	3,800	2	5.92
Dougherty County School System (DCSS)*	2,158	3	3.44	2,300	3	3.58
Proctor and Gamble	1,500	4	2.39	1,250	4	1.95
Albany State University	1,264	5	2.01	550	9	0.86
City of Albany **	1,171	6	1.86	1,179	5	1.84
Dougherty County Government**	730	7	1.16	695	6	1.08
MolsonCoors (Previously named MillerCoors)	530	8	0.84	600	7	0.94
Webstaurant Store	528	9	0.84	-		-
Metro Power	250	10	0.40	-		-
Teleperformance USA (Formerly CallTech Communications)	-		-	600	8	0.94
Darton College (Before merging with ASU)	-		-	500	10	0.78
Totals	15,644		24.91 %	16,474		25.68 %
Average number of employees ⁽²⁾	62,800			60,200		

SOURCES:

⁽¹⁾ Albany Chamber of Commerce/Economic Development Commission

⁽²⁾ Bureau of Labor Statistics

⁽³⁾ 2014 from City of Albany Annual Comprehensive Financial Report for the fiscal year ended June 30, 2014

* Current Dougherty County School Board number is from DCSS.

** City and County Governments verified their numbers.

CITY OF ALBANY, GEORGIA

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	136	141	165	165	161	157	161	166	167	165
Judicial	12	14	17	17	17	18	17	18	20	19
Public safety	478	480	463	463	463	468	475	478	480	484
Public works	49	80	63	60	60	60	55	55	55	55
Parks and recreation	55	55	52	52	51	49	31	31	31	31
Community development	15	13	12	12	12	14	13	13	14	18
Sanitary sewer	68	61	61	61	61	61	61	61	61	61
Solid waste	45	43	34	34	34	34	34	34	18	18
Airport	15	15	11	11	16	16	16	16	16	18
Transit	32	33	32	32	36	36	36	37	37	38
Civic Center	16	16	13	13	13	-	-	-	-	-
Albany Utility Board	251	233	252	252	256	255	269	267	265	264
	<u>1,172</u>	<u>1,184</u>	<u>1,175</u>	<u>1,172</u>	<u>1,180</u>	<u>1,168</u>	<u>1,168</u>	<u>1,176</u>	<u>1,164</u>	<u>1,171</u>

SOURCE:

City of Albany Finance Department

CITY OF ALBANY, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Sanitary sewer:										
Average daily treatment (thousands of gallons)	17,476	16,305	17,300	13,856	13,856	15,884	17,712	16,535	14,678	15,979
Airport:										
Daily flights	3	3	3	3	3	3	2	3	3	3
Enplaned passengers	32,305	34,977	35,066	37,757	40,112	41,747	30,212	22,292	36,302	33,866
Deplaned passengers	31,888	34,018	34,040	36,983	39,364	40,919	29,550	21,518	35,224	33,082
Based aircraft	29	30	32	34	34	32	31	31	32	35
Police:										
Citations issued	10,827	12,365	18,399	18,969	12,571	11,657	9,974	11,416	7,495	6,133
DUI citations issued	37	74	119	213	128	108	124	142	118	130
Warnings issued	3,121	4,139	10,222	10,376	5,916	8,025	5,659	4,926	2,499	2,631
Crime statistics:										
Aggravated assault	536	603	555	466	669	653	451	594	530	472
Auto theft	193	168	156	147	187	297	326	413	328	330
Murder	6	13	13	20	17	13	12	21	10	19
Rape	26	28	30	24	28	39	26	36	31	27
Robbery	186	167	207	113	137	140	167	106	87	90
Burglary	1,391	1,121	1,070	864	796	771	703	504	461	418
Theft	3,005	2,706	2,558	2,090	3,011	2,550	1,842	2,345	2,277	2,229
Fire:										
Incident responses	3,392	3,529	3,834	4,704	3,871	5,117	4,574	5,522	5,092	5,286
Public Safety Education:										
Events	161	207	226	191	186	291	167	26	34	156
Persons contacted	20,138	20,960	26,400	22,318	16,241	24,054	15,518	483	11,720	1,400

SOURCE:

Various City departments.

NOTE:

Beginning FY21 - APD Crime Stats are being reported under a full year of the new NIBRES Data/Reporting categories - Previously reported under UCR Codes/Categories

CITY OF ALBANY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety:										
Police:										
Fleet size	219	211	222	222	247	269	214	214	189	190
Fire stations	11	11	11	11	11	11	11	11	11	11
Public Works:										
Miles of streets	597	575	571	571	571	433	433	433	433	433
Number of street lights	11,285	11,285	11,295	11,295	11,432	11,989	11,989	11,989	11,989	11,989
Culture and Recreation:										
Park acreage	400	400	400	400	400	400	400	400	400	400
Parks	75	75	75	75	75	75	75	75	75	75
Golf course	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	2	2	2	2	2	2	2	2
Tennis courts	7	7	7	7	7	7	7	7	7	3
Sewerage System:										
Miles of sanitary sewer	351	351	351	351	351	351	351	351	351	351
Miles of storm sewer	400	400	400	400	400	400	400	400	400	400
Number of treatment plants	1	1	1	1	1	1	1	1	1	1

SOURCE:
Various City departments.

NOTE:
Capital asset indicators are not available for the general government function

SINGLE AUDIT 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 Commission
City of Albany, Georgia
Albany, Georgia**

We have audited, in accordance with 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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the **City of Albany, 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 and have issued our report thereon dated February 2, 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
February 2, 2024



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

To the Honorable Mayor and Members
of the City Commission
City of Albany, Georgia
Albany, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **City of Albany, 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 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the 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 the 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 the 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 on the previous page 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
February 2, 2024

CITY OF ALBANY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal AL Number	Agency or Pass-through Grantor's Number	Federal Expenditures	Passed-Through to Subrecipients
U.S. Department of Commerce				
Passed-Through State of Georgia				
Economic Development Cluster - Economic Adjustment Assistance	11.307	EDA #04-79-07369	\$ 6,088,066	\$ -
Total U.S. Department of Commerce			6,088,066	-
U.S. Department of Housing and Urban Development				
Direct Awards				
HUD - Housing Counseling Assistance Program	14.169	HC 210421073	21,725	-
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-13-0001	289,581	3,797
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-13-0001	394,720	53,490
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-13-0001	156,628	28,598
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC-13-0001	18,818	1,384
Total CDBG - Entitlement Grants Cluster			859,747	87,269
CDBG-MITINF-2-004 _ 8th Avenue Basin Phase 1&4	14.228	MITINF-2-004	452,713	-
CDBG MITPL17-2-001 _ Property Assessment	14.228	CDBG-MIT 2017 Planning	12,165	-
			464,878	-
Supportive Housing Program	14.231	2022 22E ER 22C220	25,700	1,400
Supportive Housing Program	14.231	2021 21E ER 21C217	18,159	850
Supportive Housing Program	14.231	2021 20E EO 21C486	1,363	300
Total Supportive Housing Program			45,222	2,550

(Continued)

CITY OF ALBANY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal AL Number	Agency or Pass-through Grantor's Number	Federal Expenditures	Passed-Through to Subrecipients
U.S. Department of Housing and Urban Development (Continued)				
Passed-Through State of Georgia				
HUD-Home Partnership Investment Title II Program	14.239	M-22-MC-13-0205	\$ 141,072	\$ 625
HUD-Home Partnership Investment Title II Program	14.239	M-21-MC-13-0205	71,628	11,056
HUD-Home Partnership Investment Title II Program	14.239	M-20-MC-13-0205	24,362	3,001
HUD-Home Partnership Investment Title II Program	14.239	M-19-MC-13-0205	12,458	1,583
HUD-Home Partnership Investment Title II Program	14.239	M-18-MC-13-0205	3,831	1,180
HUD-Home Partnership Investment Title II Program	14.239	M-17-MC-13-0205	11,301	3,541
HUD-Home Partnership Investment Title II Program	14.239	M-16-MC-13-0205	8,676	3,333
Total HUD-Home Partnership Investment Title II Program			<u>273,328</u>	<u>24,319</u>
Total U.S. Department of Housing and Urban Development			<u>1,664,900</u>	<u>114,138</u>
U.S. Department of Justice				
Direct Awards				
COVID-19 - Coronavirus Emergency Spending Funding	16.034	2020-VD-BX-1409	15,045	-
2020 Albany Works! Community Court Grant	16.585	2020-MU-BX-0039	133,742	-
Bullet Proof Vest Partnership Program	16.607	2003-BU-BX-6439	6,325	-
Project Safe Neighborhood Program	16.609	M19-8-001 (2020 PSN)	<u>33,306</u>	-
			<u>33,306</u>	-
2020 Justice Assistance Grant	16.738	2020-DJ-BX-0471	2,864	-
2021 Justice Assistance Grant	16.738	15PBJA-21-GG-01389-JAGX	17,253	-
Total Justice Assistance Grant Program			<u>20,117</u>	-
Total U.S. Department of Justice			<u>208,535</u>	-

(Continued)

CITY OF ALBANY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal AL Number	Agency or Pass-through Grantor's Number	Federal Expenditures	Passed-Through to Subrecipients
Federal Aviation Administration				
Direct Awards				
Airport Improvement Program	20.106	3-13-0003-054-2022	\$ 135,424	\$ -
Airport Improvement Program	20.106	3-13-0002-050-2021	553,053	-
COVID-19 Airport Improvement Program	20.106	3-13-0002-053-2021	4,099,893	-
COVID-19 Airport Improvement Program	20.106	3-13-0002-051-2020	1,456,416	-
Total Federal Aviation Administration			6,244,786	-
U.S. Department of Transportation				
Passed - Through State of Georgia				
Federal Transit-Urbanized Area Formula Program - Capital	20.507	T006834	2,945,082	-
Federal Transit-Urbanized Area Formula Program - Operating	20.507	T006833	507,972	-
Federal Transit-Urbanized Area Formula Program - Operating	20.507	T007606	1,659,743	-
Federal Transit-Urbanized Area Formula Program - Capital	20.507	T007786	3,549,389	-
Total Federal Transit Cluster			8,662,186	-
Highway Planning and Construction	20.205	PL18412	64,471	-
Highway Planning and Construction	20.205	18096-PLN	1,680	-
Highway Planning and Construction	20.205	18097-PLN	39,812	-
Highway Planning and Construction	20.205	19296-PLN	159	-
Downtown Albany Revitalization - TAP Streetscapes (Planning Dept.)	20.205	PI #0015401	181,465	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.205	FTA 5303 T006855	53,061	-
Total Highway Planning and Construction Cluster			340,648	-
Total U.S. Department of Transportation			9,002,834	-
U.S. Department of the Treasury				
Passed through State of Georgia				
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	CRF-2020 Local Entity Round 1	184,834	-
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	CSO _ GA-0010511	4,739,537	-
Total U.S. Department of the Treasury			4,924,371	-

(Continued)

CITY OF ALBANY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal AL Number	Agency or Pass-through Grantor's Number	Federal Expenditures	Passed-Through to Subrecipients
U.S. Environmental Protection Agency				
Direct Awards				
Brownsfield Assessment and Clean-up Program	66.818	ATLBF EPA	\$ 23,197	\$ -
EPA Brownfields Revolving Loan Funds Program ("RLF")	66.818	EPA-OLEM-OBLR	707	-
			<u>23,904</u>	<u>-</u>
Total U.S. Environmental Protection Agency			<u>23,904</u>	<u>-</u>
U.S. Department of Health and Human Services				
Direct Awards				
Community Programs to Improve Minority Health	93.137	CPIMP211229	<u>1,846,030</u>	<u>1,846,030</u>
Total U.S. Department of Health and Human Services			<u>1,846,030</u>	<u>1,846,030</u>
U.S. Department of Homeland Security				
Passed-Through State of Georgia				
Emergency Management Performance Grants	97.042	OEM22-20049	<u>25,938</u>	<u>-</u>
2020 GEMA Bomb Dog Grant	97.067	SH020-037	<u>202</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>26,140</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 30,029,566</u>	<u>\$ 1,960,168</u>

N/A - not applicable/not assigned

See Notes to Schedule of Expenditures of Federal Awards

CITY OF ALBANY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

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

The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

NOTE 2. MEASUREMENT FOCUS

The determination of when an award is expended is based on when the activity related to the award occurred.

NOTE 3. DE MINIMIS INDIRECT COST RATE

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

CITY OF ALBANY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2023

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies identified?

☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies identified?

☐ Yes ☒ None Reported

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

Unmodified

CITY OF ALBANY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2023

SECTION I SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

Any audit findings disclosed that are required to be
reported in accordance with the 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major programs:

AL Number

11.307

21.027

93.137

Name of Federal Program or Cluster

Economic Adjustment Assistance Program

COVID-19 Coronavirus State and Local Fiscal
Recovery Fund

Community Programs to Improve Minority Health

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

\$900,887

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

None reported.

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.