



DOUGLASVILLE

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR
ENDED JUNE 30, 2024**

CITY OF DOUGLASVILLE, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

Prepared By:
Karin E. Callan, CPA
Director of Finance

INTRODUCTORY SECTION

CITY OF DOUGLASVILLE, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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January 3, 2025

To Honorable Mayor, members of the
Governing Council and the
Citizens of Douglasville, Georgia

The Annual Comprehensive Financial Report (ACFR) of the City of Douglasville, Georgia (the “City”), for the fiscal year ended June 30, 2024, is hereby submitted as mandated by both local and state government. These ordinances and statutes require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants.

This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City of Douglasville, Georgia's financial affairs are included.

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. MD&A complements this letter of transmittal and should be read in conjunction with it.

Mauldin & Jenkins LLC has issued an unmodified (“clean”) opinion of the City of Douglasville’s financial statements for the fiscal year ended June 30, 2024. The independent auditor’s report is located at the front of the financial section of this report.

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. MD&A complements this letter of transmittal and is best read in conjunction with it.

The annual budget serves as the foundation for the City’s financial plan and assists in the control of the financial and stability financial reporting entity for the City of Douglasville.

Component units are legally separate entities for which the primary government is financially accountable. The City considers all potential component units for inclusion in these financial statements because of significant operational or financial relationships as required by generally accepted accounting principles.

The City has three component units: the Douglasville Convention and Conference Center Authority, the Douglasville Public Purpose Corporation, and the Downtown Development Authority of the City of Douglasville. The Douglasville Convention and Conference Center Authority and the Douglasville Public Purpose Corporation are presented as blended component units and are presented as special revenue funds. The Douglasville Development Authority of the City of Douglasville is a discretely presented component unit. For additional information, see "NOTE 1.A" of the Notes to the Financial Statements.

Profile of the Government

The City of Douglasville was created in 1937 and operates under an elected Mayor/Council form of government. Policy making and legislative authority of the government is vested in the mayor and seven council members who are elected for four-year terms on a non-partisan basis. The Mayor and Council members are elected at large by popular vote. Elections are held every four years and are conducted by the Douglas County board of elections. The City is empowered to levy a property tax on both real and personal property located within its boundaries and can levy all other taxes granted to municipalities within the State of Georgia.

The City is strategically located west of the I-285 perimeter on I-20. Douglasville is the largest city in Douglas County, one of the fastest growing counties in the State of Georgia. The City's major operations include public safety, culture-recreation, highways and streets, sanitation, planning and zoning and general administrative services.

The City has entered into an agreement with Douglas County to provide fire protection, E-911 services, animal control services, and the billing and collection of ad valorem taxes. The City also contracts with the county to provide housing/jailing of prisoners.

The City handles residential and commercial garbage pickup. The City contracts with the Water and Sewer Authority to provide residential billing and collections of sanitation services.

Local Economy

Based on the projection from the 2020 Census, Douglasville has a population of 35,460. As of the 2020 census, approximately 24.2 % of the City's population was under the age of 18 years. 11.5 % of the population is 65 years and older. Median household income in 2021 was \$ 61,279, the median value of owner-occupied housing units was \$214,300.

Douglasville is prime for future economic development, given its strategic location. I-20 Interstate runs through Douglas County with 5 interchanges. It is 20 miles from Hartsfield Jackson International Airport, and it is 20 miles from downtown Atlanta. The infrastructure improvements completed over the past several years only emphasize the additional economic possibilities for Douglasville.

Long Term Financial Planning

The City updated financial policies in February 2022. As of the end of June 2024, the unassigned fund balance in the General Fund falls within the guidelines set by the Council. The City's policy is to maintain an Unassigned Fund Balance that will be no less than a minimum 33% of operating revenues measured at the end of the City's Fiscal Year with a goal of 50%. As of June 2024, 3 months of reserve needed is \$12,830,297. The total unassigned fund balance is \$33,565,697. The City maintains sufficient cash reserves to operate the fiscal year without issuing a tax anticipation note.

The City adopted a long-term financial policy in February of 2022. The policy will project 3-5 years based on institutional knowledge and expert opinions. The long-term forecast will be discussed annually with the elected officials during the annual strategic planning session.

Major Initiatives:

During Fiscal Year 2024, the City and Douglas County finalized LOST and SDS negotiations. The LOST negotiations resulted in the City's percentage to be received reducing from 28.5% to 25.5% for 2023 through 2025.

Because of the relocation of the highway 92 project in Fiscal Year 2022, Jesse Davis Park is now visible from the street. During Fiscal Year 2022, voters approved a GO Bond for the construction and renovation of Jesse Davis Park. This is a 25-million-dollar project that is located directly off State route 92 and will become a visible part of the beautiful new gateway corridor to Douglasville. This project began in Fiscal Year 2023 and is anticipated to be complete in late Fiscal Year 2025.

In November of 2022, a SPLOST referendum was passed which is projected to yield the City of Douglasville at an estimated \$51,000,000 in revenue; The collected revenue is divided as follows: 35% Public Safety, 35% Transportation, 20% Facilities and 10% Parks and Recreation. The SPLOST is a 6-year SPLOST and will end in March 2029. These funds will be used for various capital improvements around the City.

The City also had its first Tax Allocation District meeting in 2024 and is looking forward to utilizing those funds to spur economic development.

The City of Douglasville has been working over the past few years to develop a downtown area that will become the cultural, civic and entertainment center of Douglas County. As part of that effort, the City acquired property which was the former Douglas County Jail which is within walking distance of the downtown conference center. The City razed the old jail and cleared the property. This property is now a City Town Green and amphitheater. The opening and first concert series were held in the Spring of 2023 for the new Town Green. The City will continue hosting a concert series each year in the Spring and Fall. The downtown Amphitheater has created interest in other areas of downtown from multi-family apartments and hotels in the downtown area.

FINANCIAL INFORMATION

Accounting System Internal Controls. The 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. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

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

Budgeting Controls In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds, Debt Service Fund, and Enterprise Fund are included in the annual appropriated budget. Project length financial plans are adopted for the Capital Project funds. The level of budgetary control, being the level at which expenditures cannot legally exceed the appropriated amount is established by department within an individual fund.

The financial policies of the City did not have a significant impact on the current financial statements. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

AWARDS AND ACKNOWLEDGEMENTS

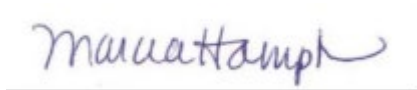
Independent Audits. State statutes require an annual audit by independent certified public accountants. The firm of Mauldin & Jenkins was selected by the City to perform audit services. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Douglasville for its Annual Comprehensive Financial Report for year ended June 30, 2023. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such annual comprehensive financial report 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 conforms to the Certificate of Achievement program requirements. This report satisfies both generally accepted accounting principles and applicable legal requirements, and we are submitting it to GFOA.

Acknowledgements. The preparation of the annual comprehensive financial report, on a timely basis, could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to each member of the department who assisted and contributed to the preparation of this report. Due credit also should be given to the Mayor and the governing council for their interest and support in planning and conducting the operations of the City of Douglasville in a responsible and progressive manner. Everyone has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

A handwritten signature in blue ink that reads "Marcia Hampton". The signature is written in a cursive style and is contained within a rectangular box.

Marcia Hampton
City Manager

A handwritten signature in blue ink that reads "Karin E. Callan". The signature is written in a cursive style.

Karin E. Callan, C.P.A.
Assistant City Manager/CFO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Douglasville
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF DOUGLASVILLE, GEORGIA

LISTING OF PRINCIPAL OFFICIALS

June 30, 2024

Mayor

Rochelle Robinson

City Manager

Marcia Hampton

Council Members

Ward 1, Mayor Pro Tem

Terry S. Miller

Ward 2, Post 1

Nycole Miller

Ward 2, Post 2

Elena Hudson

Ward 3, Post 1

LaShun Burr Danley

Ward 3, Post 2

Samuel Davis

Ward 4

Chris Watts

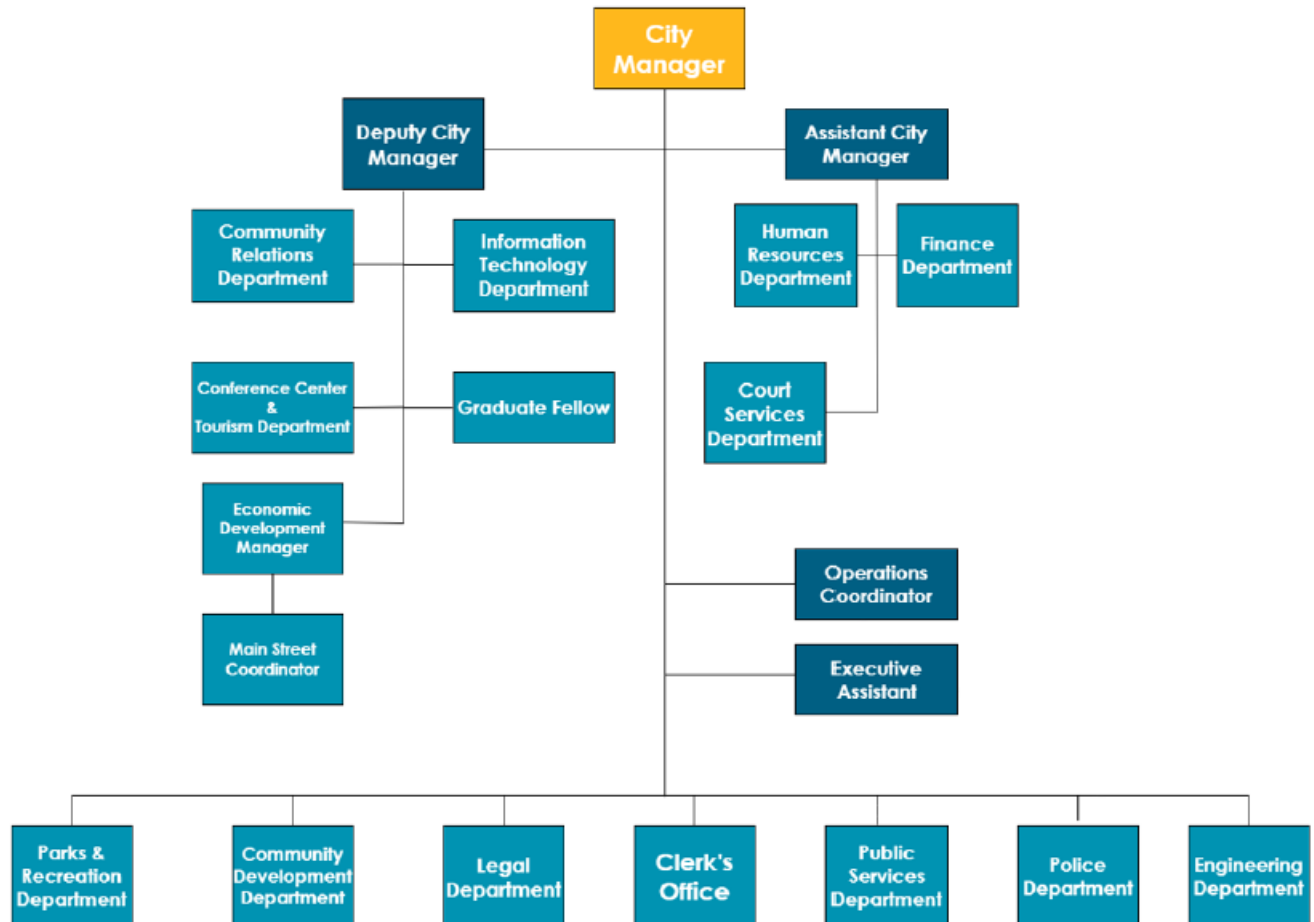
Ward 5

Howard Estes

CITY OF DOUGLASVILLE, GEORGIA

ORGANIZATIONAL CHART

JUNE 30, 2024



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members
of City Council
City of Douglasville, Georgia**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Douglasville, Georgia** (the “City”), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter

As described in Note 20 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, as of July 1, 2023. Our opinion is not modified with respect to this matter.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia Annotated §48-8-121, and 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*, as listed in the table of contents, (collectively the "supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

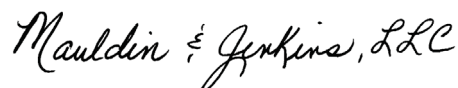
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC".

Atlanta, Georgia
January 3, 2025



Management's Discussion and Analysis

As management of the City of Douglasville, Georgia, we offer readers of the City of Douglasville's financial statements this narrative overview and analysis of the financial activities of the City of Douglasville for the fiscal year ended June 30, 2024. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the City of Douglasville exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$132,156,526 (*net position*). This amount includes \$96,384,361 net investment in capital assets, restricted portion of \$26,727,389 and unrestricted net position at \$9,044,776. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Douglasville's total net position increased by \$18,923,083 as a result of fiscal year 2024 operations.
- As of the close of the current fiscal year, the City of Douglasville's governmental funds reported combined ending fund balances of \$72,999,026, an increase of \$729,212 in comparison with the prior year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$33,565,697 or 77% of total General Fund expenditures for the fiscal year.
- The City of Douglasville's total outstanding long-term debt decreased by \$5,514,914 during the current fiscal year because current year resources were used to service existing debt.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Douglasville's (the "City") basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to enhance the reader's understanding of the financial condition of the City of Douglasville.

Basic Financial Statements

The first two statements (pages 17-19) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements (pages 20-25) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-Wide Financial Statements

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

The Statement of Net Position presents financial information on all the City of Douglasville's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of the City's financial condition.

The Statement of Activities presents information showing how the City of Douglasville'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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the City of Douglasville itself (known as the primary government), but also a legally separate Development Authority for which the City of Douglasville is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements are on pages 17-19 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 of Douglasville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of Douglasville can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government 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 assessing a governments near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the governments near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City of Douglasville maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Fund, SPLOST 2022 Fund, and Jessie Davis Park Capital Project Fund, which are considered to be major funds. Data from the other nine governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Douglasville adopts an annual appropriated budget for its General Fund, as required by the Georgia General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental financial statements are on pages 20-22 of this report.

Proprietary Funds – Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Douglasville uses an enterprise fund to account for its sanitation operation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitation operation, which is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 23-25 of this report.

Notes to the Financial Statements – The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 26-63 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City of Douglasville's General Fund and American Rescue Plan Fund budget compliance and progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 64-72 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension and OPEB. Combining and individual fund statements and schedules can be found on pages 73-87 of this report.

Government-Wide Overall Financial Analysis

City of Douglasville's Net Position Figure 1

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. The assets and deferred outflows of resources of the City of Douglasville exceeded liabilities and deferred inflows of resources by \$132,156,526 as of June 30, 2024. The City's net position increased by \$18,923,083 for the fiscal year ended June 30, 2024.

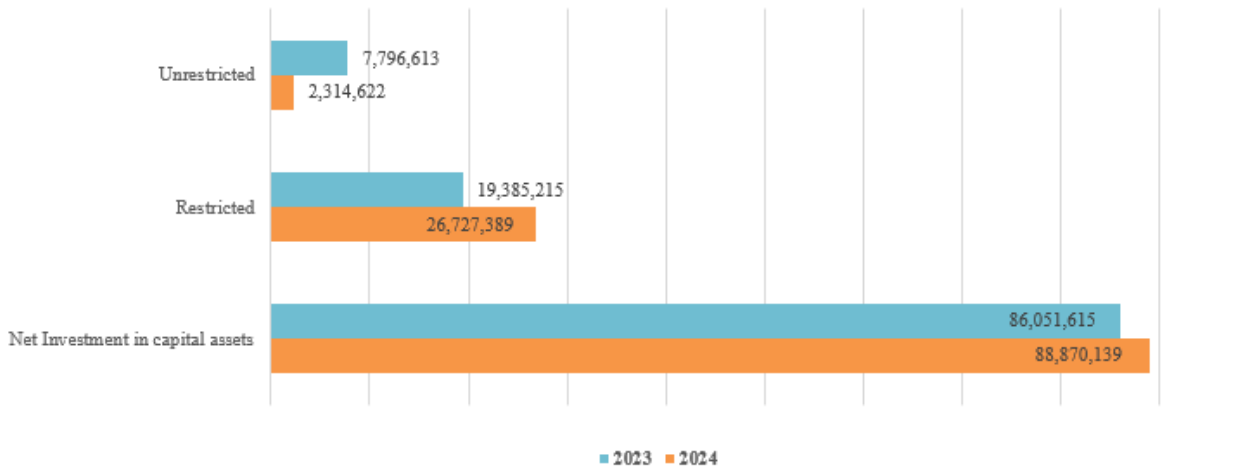
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 85,834,623	\$ 91,123,445	\$ 7,845,195	\$ 6,157,210	\$ 93,679,818	\$ 97,280,655
Capital assets	139,556,533	126,215,210	7,514,222	7,546,225	147,070,755	133,761,435
Total assets	225,391,156	217,338,655	15,359,417	13,703,435	240,750,573	231,042,090
Deferred outflows of resources	11,017,247	12,411,730	461,500	393,673	11,478,747	12,805,403
Long-term liabilities outstanding	85,619,403	96,448,166	1,040,802	792,901	86,660,205	97,241,067
Other liabilities	16,751,013	17,651,818	535,739	436,471	17,286,752	18,088,289
Total liabilities	102,370,416	114,099,984	1,576,541	1,229,372	103,946,957	115,329,356
Deferred inflows of resources	16,125,837	15,284,694	-	-	16,125,837	15,284,694
Net investment in capital assets	88,870,139	78,505,390	7,514,222	7,546,225	96,384,361	86,051,615
Restricted	26,727,389	19,385,215	-	-	26,727,389	19,385,215
Unrestricted	2,314,622	2,475,102	6,730,154	5,321,511	9,044,776	7,796,613
Total net position	\$ 117,912,150	\$ 100,365,707	\$ 14,244,376	\$ 12,867,736	\$ 132,156,526	\$ 113,233,443

By far, the largest portion of the City of Douglasville's net position (72.9%) reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Douglasville uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the City of Douglasville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Douglasville's net position (20.2%) represent resources that are subject to external restrictions on how they may be used. There was an increase of \$7,342,174 in restricted net position in connection with the City of Douglasville's Governmental Activities. This increase is due primarily to a restriction of funds for capital projects offset in part by reduction in restriction for debt service. Restricted net position also includes the restriction of funds for federal programs, promotion of tourism, and economic development.

For governmental activities, the City reported a balance of \$2,314,622 in unrestricted net position (2.0%). This is a decrease of \$160,480 from the prior year. The decrease is primarily attributable to increased restrictions of governmental net position to fund capital projects.

City of Douglasville's Net Position
June 30, 2023 and 2024
Figure 2



The General Fund reported a positive balance of \$33,565,697 in unassigned fund balance. Unassigned fund balance represents the spendable resources available for governmental activities, without externally enforceable limitation. The major contributing factors to the difference between unassigned fund balance and unrestricted net position is the exclusion of long-term debt and capital asset balances which are not part of the current financial resources measurement focus presentation required of governmental funds.

For the City's business-type activities, there was an increase in net position of \$1,376,640 which was primarily due to an increase in non-operating income, specifically investment income, as well as a capital contribution of \$562,591, related to capital projects funded by the American Rescue Plan Act governmental fund. There was a rate increase this current year for sanitation services. In addition, interest rates increased which yielded higher investment earnings.

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$17,546,443 from the prior fiscal year for an ending balance of \$117,912,150. The change in net position of 10.4% over 2023 is slightly less than 2023 over 2022 at 18.8%. This is due to the following key elements:

- Capital and operating grants and contributions decreased \$3,324,663 (-14.8%) from prior year as the City had expended the majority of its American Rescue Plan Act grant in prior years.
- Investment earnings increased \$1,181,207 (41.5%) from prior year due to an increase in market rates. This is the second year of significant growth in the City's investment earnings collectively up 1,848.78% over 2022.
- Property taxes increased \$5,968,671 (31.9%) from prior year due to an increase in the City's tax rate from 8.003 to 9.011 in combination with growth in the City's tax digest.
- Public safety expenses decreased \$2,839,257 (-14%) from prior year. This is due to a one-time payment that was made in the prior year. That one-time payment was the City's portion of Service Delivery for Fire services.
- Culture and recreation expenses increased \$5,678,489 (86%) over prior year which was due to the investment in the Douglasville Amphitheater and new construction in Jesse Davis park.
- Total expenses for governmental activities increased \$4,144,597 (7.8%) from the prior year.

City of Douglasville Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 12,017,354	\$ 10,701,821	\$ 7,085,367	\$ 6,640,007	\$ 19,102,721	\$ 17,341,828
Operating grants and contributions	1,965,187	3,726,306	-	-	1,965,187	3,726,306
Capital grants and contributions	11,294,056	12,857,600	562,591	-	11,856,647	12,857,600
General revenues:						
Property taxes	24,690,842	18,722,171	-	-	24,690,842	18,722,171
Sales taxes	10,645,721	10,393,627	-	-	10,645,721	10,393,627
Other taxes and miscellaneous	10,299,535	9,934,824	-	-	10,299,535	9,934,824
Unrestricted investment earnings	4,029,430	2,848,223	323,944	169,383	4,353,374	3,017,606
Gain on sale of capital assets	113,083	69,008	31,529	-	144,612	69,008
Total Revenues	75,055,208	69,253,580	8,003,431	6,809,390	83,058,639	76,062,970
Expenses:						
General government	14,179,594	13,836,894	-	-	14,179,594	13,836,894
Judicial	2,073,384	1,681,637	-	-	2,073,384	1,681,637
Public safety	17,294,990	20,134,247	-	-	17,294,990	20,134,247
Public works	7,245,338	6,658,620	-	-	7,245,338	6,658,620
Culture and recreation	12,330,128	6,642,669	-	-	12,330,128	6,642,669
Housing and development	2,609,615	2,477,491	-	-	2,609,615	2,477,491
Interest on long-term debt		1,932,613	-	-	-	1,932,613
Sanitation services	1,775,716	-	6,626,791	5,636,357	8,402,507	5,636,357
Total Expenses	57,508,765	53,364,171	6,626,791	5,636,357	64,135,556	59,000,528
Change in net position	17,546,443	15,889,409	1,376,640	1,173,033	18,923,083	17,062,442
Net position - beginning	100,365,707	84,476,298	12,867,736	11,694,703	113,233,443	96,171,001
Net position - ending	\$ 117,912,150	\$ 100,365,707	\$ 14,244,376	\$ 12,867,736	\$ 132,156,526	\$ 113,233,443

The most significant expenses are for Public Safety at \$17,294,990 representing 31% of the total governmental expenses. Public Safety decreased by \$2,839,257 primarily attributable to a prior year one-time payment that was made per the service delivery agreement. The next most significant program expense is General Government which represents about 25% of total governmental expenses at \$14,179,594 and increased by \$342,700 (2%).

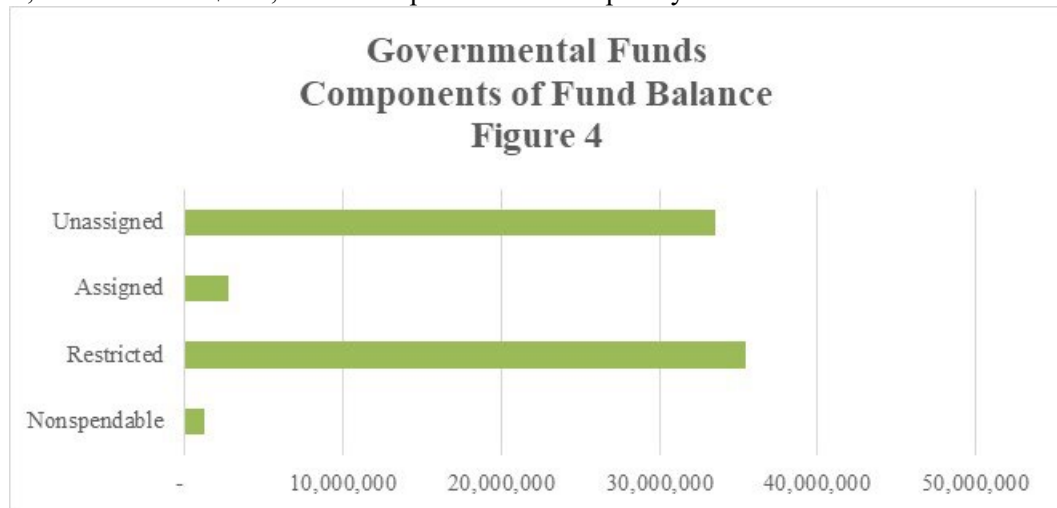
Business-Type Activities: For the City of Douglasville's business-type activities, the results for the current fiscal year were positive in that overall net position increased by \$1,376,640 to reach an ending balance of \$14,244,376. The only business-type activity of the City is the Sanitation Services provided to the citizens of the City of Douglasville. Revenues in the Sanitation Enterprise Fund are made up of a combination of user fees, grants, and SPLOST. Charges for services increased by \$445,360 or 7% from prior year. The Sanitation Fund received \$562,591 in capital contributions during the fiscal year. Expenses for providing sanitation services increased by \$990,434 or 18% over prior year. The largest portion of this increase in expenses is personnel costs of \$522,402 or 36.6% followed by purchased and contracted services of \$315,744 or 9.6%.

Financial Analysis of Governmental Funds

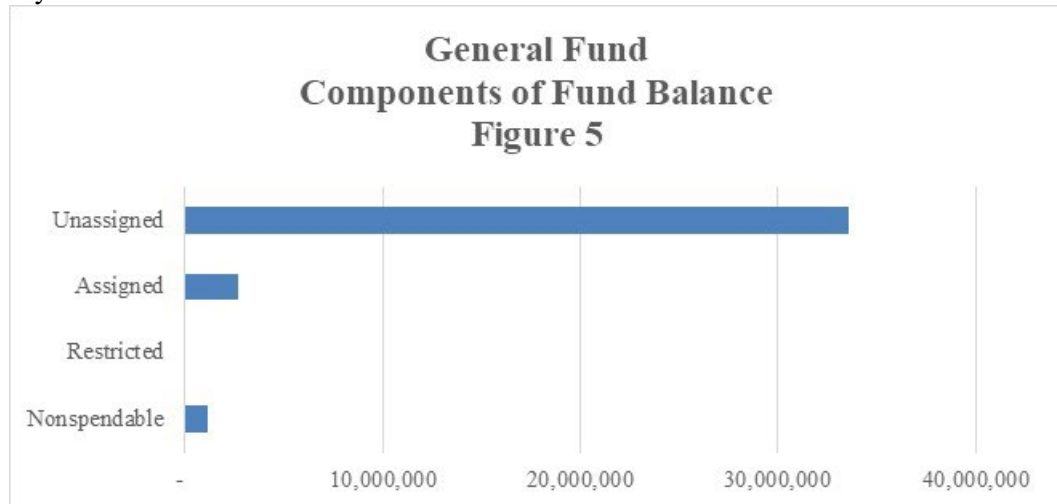
As noted earlier, the City of Douglasville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Douglasville’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 of Douglasville’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s resources available for discretionary use. Unassigned fund balance represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Douglasville itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City of Douglasville’s Council.

At June 30, 2024, the City of Douglasville’s governmental funds reported combined fund balances of \$72,999,026, an increase of \$729,212 in comparison with the prior year.



The General Fund is the chief operating fund of the City of Douglasville. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$33,565,697, an increase of \$3,559,541 in comparison with the prior year. As a measure of the General Fund’s liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. At the end of fiscal year 2024, unassigned fund balance represents approximately 77% of total General Fund expenditures, while total fund balance represents approximately 86% of that same amount.



The primary reasons for the increase in fund balance for the General Fund:

- General Fund taxes increased \$3,852,210 over the prior year with real and personal property taxes accounting for \$5,835,516 (31.6%) of that increase while sales increased by \$260,409 followed closely by Hotel/Motel and Car Rental Taxes accounting for 7.7% of that increase or \$208,659. The General Fund property taxes increase is due change in the city's tax rate from 8.003 to 9.011 in combination with growth in the city's tax digest.
- Investment income increased by \$1,061,230 over the prior year due to increased interest rates.
- General Fund expenditures increased by \$3,856,217 or 10% over the prior year. The largest increases were in the Judicial (28%), Housing and Development (22%), and Culture and Recreation (11%) Functions. These increases as well as all the other departments were offset in part by a decrease in Public Works (-2%).

The SPLOST 2022 Fund, a major fund, had a \$7,622,132 increase in fund balance during the current fiscal year. The increase in fund balance was caused mainly by an increase in intergovernmental revenues through sales tax collections of \$8,134,399 (547%) and a large increase in capital expenditures of \$2,130,370 in the current period. This increased activity is the result of a full year of SPLOST 2022 collections.

The Jessie Davis Park Capital Project Fund, which is considered a major fund, had a fund balance of \$8,372,394 at June 30, 2024, which is a decrease of \$12,503,852 from the prior year, primarily due to the continued progress of the park project's construction. The fund balance is primarily attributable to proceeds from the issuance of the 2022 General Obligation Bonds offset by capital outlay expenditures for the renovation of Jessie Davis Park.

The American Rescue Plan Fund, a major fund, had an increase of \$153,866 over the prior year. This fund accounts for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021.

Proprietary Funds. The City of Douglasville's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Sanitation Fund at the end of the fiscal year was \$6,730,154. The total increase in net position from the prior fiscal year was \$1,376,640.

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Final Budget Compared to Actual Results. During the fiscal year actual revenues were ahead of budgeted amounts by \$2,229,716. The differences between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Taxes	\$ 35,950,994	\$ 36,113,563	\$ 162,569
Licenses and permits	3,861,500	4,566,765	705,265
Intergovernmental revenues	20,000	20,000	-
Fines and forfeitures	2,404,634	3,640,230	1,235,596
Charges for services	2,502,669	2,477,534	(25,135)
Net investment income	2,030,954	2,165,740	134,786
Contributions	20,000	45,000	25,000
Miscellaneous	240,097	231,732	(8,365)

The budget changes for revenue are due to investment earnings which were approximately \$763,000 higher than the initial budget. This was due to multiple interest rates increases throughout the year as well as increasing cash reserves. In addition, the City had increased property tax collections which outperformed the budget by approximately \$400,000. Business license revenue received was \$125,000 above the original budget. The economy continues to grow in the Metro Atlanta area.

Expenditures were \$7,320,738 less than the final approved budget. The differences between appropriated expenditures and actual expenditures were as follows:

Department	Appropriated Expenditures	Actual Expenditures	Difference
General government	\$ 17,936,332	\$ 11,993,756	\$ 5,942,576
Judicial	1,101,171	2,114,071	(1,012,900)
Public safety	16,252,286	15,569,322	682,964
Public works	4,588,319	3,924,670	663,649
Culture and recreation	7,285,196	6,562,792	722,404
Housing and development	2,447,096	1,825,288	621,808
Debt service	1,208,461	1,508,224	(299,763)

As budgets are lined up throughout the year, excess budgets are moved to a contingency line, then are re-appropriated per Council action. The total contingency budget at the end of year was \$4.2 million.

Significant budget variances for expenditures are as follows:

1. Consulting services for the GIS department were not needed as initially thought (\$70,000).
2. During the year, the City cancelled the tuition reimbursement program as the policy was reorganized (\$50,000).
3. The City did not have the manpower to complete the facility improvements to the parking deck and the Conference Center during fiscal year 2024 (\$298,000).
4. Vehicles for the Police Department were not purchased due to the back log of vehicles by the distributors (\$100,000).
5. The Police Department managed overtime well and came in \$129,000 below budget.
6. The West Pines Shed project was cancelled (\$20,000) and the City will look at another solution for the storage needs.
7. Prisoner cost: The cost of prisoner care increased during the year due to the contract renewal with Douglas County (\$206,000).
8. HVAC and Electricity City-wide was over budget by \$173,000. This was due both to new street lighting downtown and to the opening of the amphitheater.

Capital Asset and Debt Administration

Capital Assets. The City of Douglasville's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$147,070,755 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, and other infrastructure. There was an increase in capital assets for the current fiscal year of approximately 9.95%.

City of Douglasville Changes in Capital Assets
Figure 6

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 30,357,608	\$ 30,372,132	\$ -	\$ -	\$ 30,357,608	\$ 30,372,132
Construction in Progress	22,675,382	21,995,990	328,977	-	23,004,359	21,995,990
Buildings	39,070,698	40,249,846	6,866,342	7,017,635	45,937,040	47,267,481
Other Improvements	26,424,218	10,814,369	12,886	13,841	26,437,104	10,828,210
Infrastructure	13,765,903	14,703,263	-	-	13,765,903	14,703,263
Vehicles, Machinery and Equipment	6,778,905	7,263,780	306,017	514,749	7,084,922	7,778,529
Leased Machinery and Equipment	184,914	312,296	-	-	184,914	312,296
Subscription Assets	298,905	503,534	-	-	298,905	503,534
	<u>\$ 139,556,533</u>	<u>\$ 126,215,210</u>	<u>\$ 7,514,222</u>	<u>\$ 7,546,225</u>	<u>\$ 147,070,755</u>	<u>\$ 133,761,435</u>

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

- Parks: Jesse Davis Park construction
- Citywide: 22 Vehicles
- Parks: 6 John Deere Gators
- Parks: West Pines Golf Course Maintenance Building
- City Hall: Design plans
- Parks: Completion of Phase One of the Douglasville Amphitheater
- Parks: Walking trail at Hunter Park
- Public Works: Peterson Grapple Truck
- Police: Gun storage unit
- Public Works: Peterson Grapple Truck
- Public Works: F450 with Dump bed

Additional information on the City's capital assets can be found in Note 8 of the Basic Financial Statements.

Long-Term Debt. At the end of the fiscal year, the City of Douglasville had the following debt outstanding:

City of Douglasville Changes in Long-Term Debt
Figure 7

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds payable	\$ 54,742,009	\$ 58,209,381	\$ -	\$ -	\$ 54,742,009	\$ 58,209,381
Premium	4,485,701	4,986,033	-	-	4,485,701	4,986,033
Discount	(8,394)	(9,661)	-	-	(8,394)	(9,661)
Notes payable	57,538	185,570	-	-	57,538	185,570
Lease liabilities	187,904	312,073	-	-	187,904	312,073
SBITAs	169,914	327,912	-	-	169,914	327,912
Net pension liability	14,348,520	11,539,214	1,021,470	707,562	15,369,990	12,246,776
Net OPEB liability	15,400,431	19,878,423	-	-	15,400,431	19,878,423
Compensated absences	1,223,871	1,018,691	96,659	85,339	1,320,530	1,104,030
Total	<u>\$ 90,607,494</u>	<u>\$ 96,447,636</u>	<u>\$ 1,118,129</u>	<u>\$ 792,901</u>	<u>\$ 91,725,623</u>	<u>\$ 97,240,537</u>

The City of Douglasville's total debt decreased \$5,514,914 (5.7%) during the current fiscal year. This decrease is primarily due to current year resources used to service existing debt.

Georgia general statutes limit the amount of general obligation debt that a unit of government can issue to 10% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for City of Douglasville is \$235,699,088. The City does not have a formal policy for credit risk beyond the types of investments authorized by state statute.

Additional information regarding the City of Douglasville's long-term debt can be found in Note 10 of this report.

Economic Factors and Next Year's Budgets and Rates

The focus of the Fiscal Year 2025 budget is the capital projects that have been approved, with continued efforts for employee retention and recruitment. The City must deal with its major capital projects while continuing to deal with the challenges of inflationary wage changes, human capital constraints, restricted taxation capacity, as well as economic uncertainty. While the economic outlook and unemployment rate for Georgia remain high and low respectively, management and the elected officials continue to recognize that the overall extended economic outlook remains uncertain.

Budget Highlights for the Fiscal Year Ending June 30, 2025

Governmental Activities: The fiscal year 2025 General Fund expenditure budget is 8.8% higher than the 2024 amended General Fund budget. Nearly 55% of the General Fund revenues are received from two sources: property tax represents 36% and sales tax represents 19%. Revenue projections remain conservative. The budget assumptions assume sales tax has been adjusted according to the LOST agreements to reflect the decrease in revenue. Interest revenue increased due to higher interest rates.

The additional revenue will help fund capital outlay in the budget so that the City can keep on track with its capital improvement program. The General Fund includes approximately \$1.82 million in capital, a decrease of 52.82% from Fiscal Year 24. This amount includes funds for computer replacements, building maintenance, multiple studies, miscellaneous police equipment, and equipment for Street Maintenance. Other funds include budgets for construction-related and annual expenses for Jessie Davis Park, analysis of the benefits and costs of renovating City Hall, ARPA funds for the construction of a recycling center, and engaging a real-estate professional to locate property for constructing a driving course for the Police Department.

The Fiscal Year 2025 budget includes an 8% Health Insurance increase. Other personnel-related expenses include the continuation of the Christmas bonus and sick leave buy-back program. Vacancies are funded this year with a 96% fill rate.

The City continues to provide funding for the City Development Authority to help seek out quality businesses to bring to the City.

The 2016 Special Local Option Sales Tax Fund which was adopted in fiscal year 2017 reflects the SPLOST collections that started in April of 2017. Included in the SPLOST budget are funds for Public Safety 20%, Facilities 15%, Transportation 45%, and Parks and Recreation 20%. For Fiscal Year 2025, almost all of the SPLOST 2016 funds have been spent, and the new SPLOST 2022 continues.

The collections for the 2022 Special Local Option Sales Tax Fund began in May of 2023. Included in the 2022 SPLOST budget are funds for Public Safety 35%, Facilities 20%, Transportation 35%, and Parks and Recreation 10%.

The Public Safety budget is comprised primarily of the purchase of a downtown camera system, shop expansion at the Police Department for vehicle maintenance, and driving range for Douglasville and other agencies to safely learn proper driving techniques.

The Facilities portion of SPLOST 2022 includes updates to City-wide network switches and access points, upgraded Cisco telephone system, building and site improvements at the Police Department, and Alice Hawthorne Community Center upgrades.

The Parks and Recreation portion of SPLOST 2022 identifies key projects with the intent to improve, renovate, and/or replace infrastructure throughout the Douglasville Parks System. For Fiscal Year 2025, this includes Hunter Park AV upgrades for 3 rooms, new maintenance equipment, an irrigation system for Hunter Park, West Pines Irrigation System, and West Pines cart path and bridge repairs.

The Transportation portion of SPLOST is primarily comprised of resurfacing projects and overall beautification of the City of Douglasville's roads, sidewalks, and right of ways identified through a pavement evaluation and various studies. For Fiscal Year 2025, the anticipated projects include street resurfacing, purchase of passenger vans for inmate detail and pick-up trucks, sidewalk connectivity improvements, and intersection improvement projects.

Business-Type Activities: The Sanitation Fund budget remains steady for Fiscal Year 2025. Front-end service will continue to be outsourced.

Requests for Information:

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, City of Douglasville, P.O. Box 219, Douglasville, GA 30133.

BASIC FINANCIAL STATEMENTS

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Development Authority
Cash and cash equivalents	\$ 76,961,746	\$ 7,949,854	\$ 84,911,600	\$ 579,321
Investments	2,074,640	-	2,074,640	-
Taxes receivable, net of allowances	667,254	-	667,254	-
Accounts receivable, net of allowances	734,550	526,714	1,261,264	455
Leases receivable	1,369,325	-	1,369,325	-
Other receivables	82,362	-	82,362	-
Due from other governments	1,932,583	-	1,932,583	-
Internal balances	781,521	(781,521)	-	-
Inventories	62,515	-	62,515	-
Prepaid items	1,168,127	150,148	1,318,275	3,645
Capital assets, non-depreciable	53,032,990	328,977	53,361,967	-
Capital assets, depreciable, net of accumulated depreciation	86,523,543	7,185,245	93,708,788	-
Total assets	225,391,156	15,359,417	240,750,573	583,421
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	702,475	-	702,475	-
Accumulated decrease in fair value of hedging derivative	776	-	776	-
Pension related items	6,482,653	461,500	6,944,153	-
OPEB related items	3,831,343	-	3,831,343	-
Total deferred outflows of resources	11,017,247	461,500	11,478,747	-
LIABILITIES				
Accounts payable	4,113,743	340,907	4,454,650	2,122
Retainage payable	1,682,438	-	1,682,438	-
Accrued liabilities	763,259	47,114	810,373	-
Accrued interest payable	851,023	-	851,023	-
Unearned revenue	4,158,154	-	4,158,154	-
Customer deposits payable	193,529	70,391	263,920	-
Noncurrent liabilities				
Due within one year				
Compensated absences	979,097	77,327	1,056,424	-
Lease liabilities	128,164	-	128,164	-
Subscription based information technology arrangements	162,330	-	162,330	-
Notes payable	57,538	-	57,538	-
Bonds payable	3,661,738	-	3,661,738	-
Due in more than one year				
Compensated absences	244,774	19,332	264,106	-
Lease liabilities	59,740	-	59,740	-
Subscription based information technology arrangements	7,584	-	7,584	-
Bonds payable	55,557,578	-	55,557,578	-
Fair value of hedging derivative	776	-	776	-
Net pension liability	14,348,520	1,021,470	15,369,990	-
Net OPEB liability	15,400,431	-	15,400,431	-
Total liabilities	102,370,416	1,576,541	103,946,957	2,122
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of lease revenue	1,297,619	-	1,297,619	-
OPEB related items	14,828,218	-	14,828,218	-
Total deferred inflows of resources	16,125,837	-	16,125,837	-
NET POSITION				
Net investment in capital assets	88,870,139	7,514,222	96,384,361	-
Restricted for:				
Economic development	5,844,683	-	5,844,683	-
Federal programs	340,490	-	340,490	-
Promotion of tourism	4,336,112	-	4,336,112	-
Capital projects	16,206,104	-	16,206,104	-
Unrestricted	2,314,622	6,730,154	9,044,776	581,299
Total net position	\$ 117,912,150	\$ 14,244,376	\$ 132,156,526	\$ 581,299

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>
			<u>Contributions</u>	<u>Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 14,179,594	\$ 4,773,375	\$ 864,507	\$ -
Judicial	2,073,384	4,010,091	-	-
Public safety	17,294,990	301,717	173,194	3,367,218
Public works	7,245,338	-	562,591	6,629,791
Culture and recreation	12,330,128	2,053,874	364,895	1,101,530
Housing and development	2,609,615	878,297	-	195,517
Interest and fiscal charges on long-term debt	1,775,716	-	-	-
Total governmental activities	<u>57,508,765</u>	<u>12,017,354</u>	<u>1,965,187</u>	<u>11,294,056</u>
Business-type activities:				
Sanitation	<u>6,626,791</u>	<u>7,085,367</u>	<u>-</u>	<u>562,591</u>
Total business-type activities	<u>6,626,791</u>	<u>7,085,367</u>	<u>-</u>	<u>562,591</u>
Total primary government	<u>\$ 64,135,556</u>	<u>\$ 19,102,721</u>	<u>\$ 1,965,187</u>	<u>\$ 11,856,647</u>
Component unit:				
Development Authority	\$ 145,455	\$ 266,563	\$ -	\$ -
Total component unit	<u>\$ 145,455</u>	<u>\$ 266,563</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Property taxes

Sales taxes

Hotel/Motel taxes

Franchise taxes

Insurance premium taxes

Alcohol beverage taxes

Unrestricted investment earnings

Gain from sale of capital assets

Miscellaneous

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-type Activities	Total	Development Authority	
\$ (8,541,712)	\$ -	\$ (8,541,712)	\$ -	
1,936,707	-	1,936,707	-	
(13,452,861)	-	(13,452,861)	-	
(52,956)	-	(52,956)	-	
(8,809,829)	-	(8,809,829)	-	
(1,535,801)	-	(1,535,801)	-	
(1,775,716)	-	(1,775,716)	-	
(32,232,168)	-	(32,232,168)	-	
-	1,021,167	1,021,167	-	
-	1,021,167	1,021,167	-	
\$ (32,232,168)	\$ 1,021,167	\$ (31,211,001)	\$ -	
\$ -	\$ -	\$ -	\$ 121,108	
\$ -	\$ -	\$ -	\$ 121,108	
\$ 24,690,842	\$ -	\$ 24,690,842	\$ -	
10,645,721	-	10,645,721	-	
2,629,929	-	2,629,929	-	
2,942,262	-	2,942,262	-	
3,073,969	-	3,073,969	-	
1,246,669	-	1,246,669	-	
4,029,430	323,944	4,353,374	14,167	
113,083	31,529	144,612	-	
406,706	-	406,706	-	
49,778,611	355,473	50,134,084	14,167	
17,546,443	1,376,640	18,923,083	135,275	
100,365,707	12,867,736	113,233,443	446,024	
\$ 117,912,150	\$ 14,244,376	\$ 132,156,526	\$ 581,299	

CITY OF DOUGLASVILLE, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2024

ASSETS	General	American Rescue Plan Fund	SPLOST 2022	Jessie Davis Park Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 45,693,859	\$ -	\$ 8,545,787	\$ 11,965,929	\$ 10,756,171	\$ 76,961,746
Investments	998,880	-	-	-	1,075,760	2,074,640
Receivables, net:						
Taxes receivable	295,168	-	-	-	372,086	667,254
Accounts receivable	734,550	-	-	-	-	734,550
Leases receivable	583,726	-	-	-	785,599	1,369,325
Other receivables	-	3,614	6,717	52,954	19,077	82,362
Due from other governments	1,080,755	-	789,425	-	62,403	1,932,583
Due from other funds	64,269	4,590,693	-	-	6,092,485	10,747,447
Inventories	62,515	-	-	-	-	62,515
Prepaid items	1,112,613	-	-	-	55,514	1,168,127
Total assets	<u>\$ 50,626,335</u>	<u>\$ 4,594,307</u>	<u>\$ 9,341,929</u>	<u>\$ 12,018,883</u>	<u>\$ 19,219,095</u>	<u>\$ 95,800,549</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 1,336,224	\$ 95,663	\$ 246,587	\$ 2,024,602	\$ 410,667	\$ 4,113,743
Retainage payable	-	-	-	1,621,887	60,551	1,682,438
Accrued liabilities	744,767	-	-	-	18,492	763,259
Due to other funds	9,734,354	-	-	-	231,572	9,965,926
Unearned revenue	-	4,158,154	-	-	-	4,158,154
Deposits payable	193,529	-	-	-	-	193,529
Total liabilities	<u>12,008,874</u>	<u>4,253,817</u>	<u>246,587</u>	<u>3,646,489</u>	<u>721,282</u>	<u>20,877,049</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of lease revenue	566,457	-	-	-	731,162	1,297,619
Unavailable revenue - property tax	586,233	-	-	-	40,622	626,855
	<u>1,152,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>771,784</u>	<u>1,924,474</u>
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	1,112,613	-	-	-	55,514	1,168,127
Inventories	62,515	-	-	-	-	62,515
Restricted for:						
Economic development	-	-	-	-	5,844,683	5,844,683
Federal programs	-	340,490	-	-	-	340,490
Promotion of tourism	-	-	-	-	4,280,598	4,280,598
Capital projects	-	-	9,095,342	8,372,394	6,926,633	24,394,369
Debt service	-	-	-	-	618,601	618,601
Assigned:						
Retiree benefits	1,025,043	-	-	-	-	1,025,043
Fiscal year 2025 operations	1,698,903	-	-	-	-	1,698,903
Unassigned	33,565,697	-	-	-	-	33,565,697
Total fund balances	<u>37,464,771</u>	<u>340,490</u>	<u>9,095,342</u>	<u>8,372,394</u>	<u>17,726,029</u>	<u>72,999,026</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 50,626,335</u>	<u>\$ 4,594,307</u>	<u>\$ 9,341,929</u>	<u>\$ 12,018,883</u>	<u>\$ 19,219,095</u>	

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

Capital assets used in governmental activities are not current financial resources, and, therefore, are not reported in the governmental funds.	139,556,533
Some revenues are not available in the current period, and, therefore, are reported as deferred inflows of resources in the governmental funds.	626,855
The City's net pension and total OPEB liabilities, and the related deferred outflows of resources and deferred inflows of resources, are not expected to be liquidated with available financial resources, and, therefore, are not reported in the governmental funds.	(34,263,173)
The impact on net position resulting from an effective hedging instrument is not recognized until the hedge is used by the holder, and, therefore, is deferred.	776
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the governmental funds.	(61,007,867)
Net position of governmental activities	<u>\$ 117,912,150</u>

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General	American Rescue Plan Fund	(Previously Non-Major) SPLOST 2022 Fund	Jessie Davis Park Capital Project Fund	(Previously Major) Town Green Amphitheater Construction Fund	(Previously Major) SPLOST 2016 Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 36,113,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,993,241	\$ 45,106,804
Licenses and permits	4,566,765	-	-	-	-	-	-	4,566,765
Intergovernmental	20,000	2,061,904	9,620,623	-	-	-	1,277,053	12,979,580
Fines and forfeitures	3,640,230	-	-	-	-	-	33,378	3,673,608
Charges for services	2,477,534	-	-	-	-	-	697,854	3,175,388
Investment income	2,165,740	153,866	144,893	1,168,430	-	-	631,164	4,264,093
Contributions	45,000	-	-	-	-	-	-	45,000
Miscellaneous	231,732	-	-	-	-	-	406,706	638,438
Total revenues	<u>49,260,564</u>	<u>2,215,770</u>	<u>9,765,516</u>	<u>1,168,430</u>	<u>-</u>	<u>-</u>	<u>12,039,396</u>	<u>74,449,676</u>
Expenditures								
Current:								
General government	11,993,756	864,507	1,173,673	-	-	-	56,662	14,088,598
Judicial	2,114,071	-	-	-	-	-	-	2,114,071
Public safety	15,569,322	38,715	222,813	-	-	-	257,514	16,088,364
Public works	3,924,670	562,591	179,115	-	-	-	1,649,728	6,316,104
Culture and recreation	6,562,792	364,895	567,783	-	-	-	3,052,712	10,548,182
Housing and development	1,825,288	-	-	-	-	-	170,658	1,995,946
Capital outlay	-	231,196	-	14,172,282	-	-	2,271,395	16,674,873
Debt service:								
Principal retirement	980,199	-	-	-	-	-	2,897,372	3,877,571
Interest and fiscal charges	528,025	-	-	-	-	-	1,662,419	2,190,444
Total expenditures	<u>43,498,123</u>	<u>2,061,904</u>	<u>2,143,384</u>	<u>14,172,282</u>	<u>-</u>	<u>-</u>	<u>12,018,460</u>	<u>73,894,153</u>
Excess (deficiency) of revenues over expenditures	5,762,441	153,866	7,622,132	(13,003,852)	-	-	20,936	555,523
Other financing sources (uses):								
Proceeds from sale of capital assets	135,189	-	-	-	-	-	38,500	173,689
Transfers in	-	-	-	500,000	-	-	241,500	741,500
Transfers out	(500,000)	-	-	-	-	-	(241,500)	(741,500)
Total other financing sources (uses)	<u>(364,811)</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>38,500</u>	<u>173,689</u>
Net change in fund balance	<u>5,397,630</u>	<u>153,866</u>	<u>7,622,132</u>	<u>(12,503,852)</u>	<u>-</u>	<u>-</u>	<u>59,436</u>	<u>729,212</u>
Fund balances, beginning of year	<u>32,067,141</u>	<u>186,624</u>	<u>-</u>	<u>20,876,246</u>	<u>2,974,040</u>	<u>4,684,380</u>	<u>11,481,383</u>	<u>72,269,814</u>
Adjustment - change to reporting entity	-	-	1,473,210	-	(2,974,040)	(4,684,380)	6,185,210	-
Fund balances, beginning of year, as adjusted	<u>32,067,141</u>	<u>186,624</u>	<u>1,473,210</u>	<u>20,876,246</u>	<u>-</u>	<u>-</u>	<u>17,666,593</u>	<u>72,269,814</u>
Fund balances, end of year	<u>\$ 37,464,771</u>	<u>\$ 340,490</u>	<u>\$ 9,095,342</u>	<u>\$ 8,372,394</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,726,029</u>	<u>\$ 72,999,026</u>

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

CITY OF DOUGLASVILLE, 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, 2024

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

Net change in fund balances - total governmental funds	\$ 729,212
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 and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense in the current period.	13,401,929
Governmental funds report the proceeds from the sale of capital assets; however, the statement of activities reports the gain or loss on disposal. Therefore, the change in net position will differ from the change in fund balance by the net book value of the capital assets disposed.	(60,606)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(378,617)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	4,242,921
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.	(388,396)
Change in net position - governmental activities	\$ 17,546,443

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Major Enterprise Fund Sanitation Fund
CURRENT ASSETS	
Cash and cash equivalents	\$ 7,949,854
Accounts receivable, net of allowances	526,714
Prepaid items	150,148
Total current assets	8,626,716
NONCURRENT ASSETS	
Non-depreciable capital assets	328,977
Depreciable capital assets, net of accumulated depreciation	7,185,245
Total noncurrent assets	7,514,222
Total assets	16,140,938
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	461,500
CURRENT LIABILITIES	
Accounts payable	340,907
Accrued liabilities	47,114
Customer deposits payable	70,391
Due to other funds	781,521
Compensated absences, due within one year	77,327
Total current liabilities	1,317,260
NONCURRENT LIABILITIES	
Compensated absences, due in more than one year	19,332
Net pension liability	1,021,470
Total noncurrent liabilities	1,040,802
Total liabilities	2,358,062
NET POSITION	
Investment in capital assets	7,514,222
Unrestricted	6,730,154
Total net position	\$ 14,244,376

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Enterprise Fund Sanitation Fund
OPERATING REVENUES	
Charges for services	\$ 7,085,367
OPERATING EXPENSES	
Personnel costs	1,949,827
Purchased and contracted services	3,590,768
Other operating expenses	491,797
Depreciation	594,399
Total operating expenses	6,626,791
Operating income	458,576
NON-OPERATING INCOME	
Investment income	323,944
Gain on disposal of capital assets	31,529
Total non-operating income	355,473
Income before capital contributions	814,049
CAPITAL CONTRIBUTIONS	562,591
Change in net position	1,376,640
NET POSITION, beginning of year	12,867,736
NET POSITION, end of year	\$ 14,244,376

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Enterprise Fund Sanitation Fund
Cash flows from operating activities	
Receipts from customers	\$ 7,058,476
Payments to suppliers and service providers	(3,336,333)
Payments to employees	(1,688,474)
Net cash provided by operating activities	<u>2,033,669</u>
Cash flows from capital and related financing activities	
Proceeds of sales of capital assets	33,229
Purchases of capital assets	(1,505)
Net cash provided by capital and related financing activities	<u>31,724</u>
Cash flows from investing activities	
Interest income on investments	<u>323,944</u>
Net cash provided by investing activities	<u>323,944</u>
Increase in cash and cash equivalents	2,389,337
Cash and cash equivalents:	
Beginning of year	<u>5,560,517</u>
End of year	<u><u>\$ 7,949,854</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 458,576
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	594,399
Increase in:	
Accounts receivable	(40,853)
Prepaid items	(39,316)
Increase in:	
Accrued liabilities	3,952
Accounts payable	4,027
Due to other funds	781,521
Customer deposits payable	13,962
Compensated absences	11,320
Net pension liability (and related deferred outflows/inflows of resources)	<u>246,081</u>
Net cash provided by operating activities	<u><u>\$ 2,033,669</u></u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Douglasville was incorporated in 1937 under the provisions of an Act of the General Assembly of Georgia. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter; public safety (police), highways and streets, sanitation, social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statements present the City and its component units, entities for which the City is considered financially accountable. The blended component units are included within the City's funds as these entities provide services exclusively to the City although they are legally separate entities. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Units

The Convention and Conference Center Authority (the "Authority") was organized to issue bonds to develop and promote commerce, industry, and general welfare within the City. The Authority's board members are substantially the same as the City's council members and the City has contractually obligated itself to use its taxing powers to guarantee repayment of principal and interest on certain revenue bonds issued by the Authority. Therefore, as the Authority is purely a financing authority of the City and the existence of the financial benefit or burden relationship, the Authority is presented as a blended component unit. The Authority is typically presented as a capital projects fund of the City, however in the fiscal year ended June 30, 2024, the Authority had no activity and no fund balance and so is not reflected in the current year statements.

The Douglasville Public Purpose Corporation (the "Corporation") was organized to issue bonds to develop and promote commerce, industry and general welfare within the City. The Corporation's board members are substantially the same as the City's council members and the City has contractually obligated itself to use its taxing powers to guarantee repayment of principal and interest on certain revenue bonds issued by the Corporation. Therefore, as the Corporation is purely a financing authority of the City and the existence of this financial benefit or burden relationship, the Corporation is presented as a blended component unit. The Corporation is presented as a special revenue fund of the City.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Unit

The City of Douglasville Development Authority (the “Authority”) was created as a separate legal entity by an act of the state legislature and “activated” by action of the City Council to promote and expand industry, welfare and trade for the public good and welfare of the City, and make long-range plans for such development and expansion. The governing Board of the Authority is appointed by the City Council for fixed terms and the City is considered to be able to impose its will on the Authority and thus the Authority is presented as a governmental fund-type discretely presented component.

Financial information with regard to all of the City’s component units can be obtained from the City’s finance department located at 6695 Church Street, Douglasville, Georgia 30134. Separate financial statements for the City’s component units are not prepared.

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

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

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

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

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of* accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period, with the exception of intergovernmental revenues which are considered to be available if collected within nine (9) months of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, and postemployment benefits are recognized later based on specific accounting rule applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right-to-use lease and subscription assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and subscription-based information technology arrangements are reported as other financing sources.

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

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

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

The City reports the following major governmental funds:

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

The ***American Rescue Plan Fund*** is a special revenue fund and accounts for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021.

The ***SPLOST 2022 Fund*** accounts for proceeds and expenditures of special purpose local option sales tax (SPLOST), Series 2022, received from Douglas County.

The ***Jessie Davis Park Capital Project Fund*** is a capital project fund established to account for the City's expenditure of proceeds from the issuance of the 2022 General Obligation Bonds for the renovation of Jessie Davis Park.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The *Sanitation Fund* accounts for the operation of the sanitation system including all revenues from sources applicable to these operations and all expenses of the operation.

The City also reports the following funds and fund types:

The *Special Revenue funds* are used to account for revenue sources that are legally restricted to expenditures for specific purposes such as hotel/motel and car rental excise tax revenues, as well as various grants and contributions.

The *Capital Projects Funds* account for proceeds and expenditure of special purpose local option sales tax proceeds (SPLOST), received from Douglas County and of the proceeds of capital project related debt issuances (Town Green Amphitheater).

The *Debt Service Fund* is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

In accounting and reporting for its proprietary operations, the City applies all GASB pronouncements. Proprietary funds distinguish *operating revenues and expenses* from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for goods and services provided. Operating expenses of the enterprise fund 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. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three (3) months or less from the date of acquisition.

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

The City's nonparticipating interest-earning investment contracts are recorded at cost. All remaining investments are recorded at fair value. Increases or decreases in the fair value of the City's investments during the year are recognized as a component of investment income.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” 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, represent long-term borrowing arrangements with established repayment schedules, and are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Inventories

Inventories are valued at cost, which approximates market, using the weighted average cost method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, are recorded as prepaid items in both government-wide and fund financial statements using the purchases method.

H. Capital Assets

Capital assets, subscription assets, and lease assets, which include property, plant, equipment, software, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each year, including infrastructure, they are capitalized and reported at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s lives are not capitalized.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

<u>Asset</u>	<u>Years</u>
Buildings	50
Other Improvements	20-30
Infrastructure	30
Vehicles	5
Machinery and Equipment	5-10
Lease Equipment	5-10
Subscription Assets	5

I. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary fund, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned.

J. 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) until then. The City has two (2) items which qualify for reporting in this category (aside from items related to pensions and OPEB which are discussed below): (1) the City's deferred charge on refunding qualifies for reporting in this category as the deferred charge results from the difference in the carrying value of the 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; and (2) the accumulated decrease in the fair value of the hedging derivative qualifies for reporting in this category. As the derivative qualifies as an effective hedge, the change in fair value which occurs each fiscal year is deferred until the hedge is used by the holder.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two (2) items that qualify for reporting in this category (aside from deferred inflows related to pensions and OPEB which are discussed below). One of these items arises only in reporting that utilizes the modified accrual basis of accounting and accordingly, this item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and court fines as these items are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The second item reported, *deferred inflows of lease revenue*, is reported in the governmental funds balance sheet, as well as the government-wide statement of net position, and will be recognized in the period in which the lease payments are received.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources (Continued)

The City also has deferred outflows and inflows of resources related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in these liabilities are recognized as 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 net 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 expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability and net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the pension or OPEB plans before year end but subsequent to the measurement date of the City's net pension liability and net OPEB liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability and net OPEB liability in the next fiscal year.

K. 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 bond using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are reported as expenses in the periods in which they are incurred, with the exception of prepaid bond insurance which is amortized over the life of the bond in accordance with Governmental Accounting Standards Board Statement No. 65.

In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources. Bond issuance costs are reported as debt service expenditures.

L. Leases

Lessee

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and a lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$25,000 or more.

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessee (continued)

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

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

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

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

Lessor

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

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

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

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

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources 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 purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

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

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through the adoption of a resolution, the City Council has expressly delegated to the City Manager and Finance Director the authority to assign fund balances for particular purposes.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. For all other funds, any deficits in fund balance at year end will be reported as unassigned.

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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

N. Pensions

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

O. Use of Estimates

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “the net pension and net OPEB liabilities and related deferred outflows and inflows of resources are not expected to be liquidated with available financial resources, and, therefore, are not reported in the funds.” The details of this \$34,263,173 difference are as follows:

Deferred outflows of resources - pension related items	\$ 6,482,653
Net pension liability	(14,348,520)
Deferred outflows of resources - OPEB related items	3,831,343
Net OPEB liability	(15,400,431)
Deferred inflows of resources - OPEB related items	(14,828,218)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (34,263,173)</u>

Another element of that reconciliation explains that “long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.” The details of this \$61,007,867 difference are as follows:

Accrued interest payable	\$ (851,023)
Lease liabilities payable	(187,904)
Subscription-based information technology arrangements	(169,914)
Compensated absences payable	(1,223,871)
Notes payable	(57,538)
Bonds payable	(54,742,009)
Bond premiums, unamortized balance	(4,485,701)
Bond discounts, unamortized balance	8,394
Deferred charges from refunding, unamortized balance	702,475
Fair value of hedging derivative	(776)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (61,007,867)</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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 these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.” The details of this \$13,401,929 difference are as follows:

Capital outlay	\$ 19,322,044
Depreciation and amortization expense	<u>(5,920,115)</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><u>\$ 13,401,929</u></u>

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$4,242,921 difference are as follows:

Principal payments - lease liabilities	\$ 124,169
Principal payments - subscription-based information technology arrangements	157,998
Principal payments - notes payable	128,032
Principal payments - bonds	3,467,372
Amortization of bond premiums	500,332
Amortization of bond discounts	(1,267)
Amortization of deferred charges on refunding	<u>(133,715)</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><u>\$ 4,242,921</u></u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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 states that “Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.” The details of this \$388,396 difference are as follows:

Compensated absences	\$ (205,180)
Accrued interest	49,378
Pension expense	(2,746,838)
OPEB expense	<u>2,514,244</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><u>\$ (388,396)</u></u>

NOTE 3. LEGAL COMPLIANCE – BUDGETS

An operating budget is legally adopted each fiscal year for the General Fund, Special Revenue funds, and Debt Service Fund. The City generally follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed operating budget including proposed expenditures and the means of financing them is submitted to the City Council by the Finance Director.
2. A public hearing on the budget is held.
3. The budget is then legally enacted through the passage of an ordinance.
4. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each of the above adopted budgets is at the department level. The City Manager may make transfers of appropriations within a department without prior approval of the City Council with the following restrictions and exceptions:
 - a) The City Manager may transfer assets, without a dollar limit, from one department to another department for expenditures for employee wages or related expenses for fringe including FICA taxes, health insurance premiums, life insurance premiums, workers' compensation costs, or pension costs for the purpose of effecting a transfer of any employee or employees;
 - b) The City Manager may make transfers due to a transfer of appropriations among two or more departments to effectuate a transfer of personnel;
 - c) The City Manager may not transfer assets into or from any line item for expenditures for travel, training or attendance at civic events by any elected official; and
 - d) For the Confiscated Assets Fund, the chief of police may make transfers for any line item within the budget.
5. Appropriations, except for encumbrances, lapse at year end.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

The following General Fund departments and other governmental funds had actual expenditures in excess of appropriations for the fiscal year ended June 30, 2024:

General Fund	
Judicial	
Municipal Court	\$ 1,012,900
Culture and Recreation:	
Jessie Davis Park	8,183
Debt Service	299,763
Principal	283,170
Interest	20,343
Multiple Grant Fund	
Housing and development	170,658
Public Purpose Corporation Fund	
General government	4,414
Debt Service - Principal retirement	8,967
Tax Allocation District Fund	
General government	23,498
Debt Service Fund	
General government	1,150

These expenditures in excess of appropriations were funded by greater than anticipated revenues.

NOTE 4. DEPOSITS AND INVESTMENTS

The table below summarizes the City's cash and cash equivalents and investments by type as of June 30, 2024:

Investment	Maturities	Balance
Deposits with financial institutions	---	\$ 24,667,474
Certificate of deposit	February 15, 2025	1,075,760
Certificate of deposit	June 30, 2025	20,013
U.S. Treasury Notes	June 15, 2025	978,867
Georgia Fund 1	33 day WAM ⁽¹⁾	60,244,126
Total		<u>\$ 86,986,240</u>
As reported in the Statement of Net Position:		
Cash and cash equivalents		\$ 84,911,600
Investments		2,074,640
Total		<u>\$ 86,986,240</u>

(1) Weighted average maturity

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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.

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

As part of the issuance of the City's 2005 Series Revenue Bonds, the City entered into an interest rate swap agreement. The interest rate swap agreement is more fully described in Note 10. The fair value of the interest rate swap agreement is classified as Level 2 of the fair value hierarchy and is valued using an option-adjusted discounted cash flow model.

The Georgia Fund 1 is an investment pool, rated AA+ by Standard & Poor's, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

The City's certificates of deposit are considered nonparticipating interest-earning investment contracts, and, accordingly, are valued at cost.

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 and the Georgia Fund 1) to be collateralized by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2024, the City had deposits with two (2) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. Additionally, the City had certificates of deposit with another financial institution that were collateralized by pledged securities, as defined above, such that all of the City's deposits with financial institutions as of June 30, 2024 were insured and/or collateralized as required by State statutes.

Interest rate risk: With regard to its investments, the City does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5. RECEIVABLES

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

	General	American Rescue Plan Fund	SPLOST 2022	Jessie Davis Park Capital Project Fund
Receivables:				
Taxes	\$ 295,168	\$ -	\$ -	\$ -
Accounts receivables	6,156,116	-	-	-
Leases receivable	583,726	-	-	-
Other receivables	-	3,614	6,717	52,954
Intergovernmental	1,080,755	-	789,425	-
Gross receivables	8,115,765	3,614	796,142	52,954
Less allowance for uncollectibles	(5,421,566)	-	-	-
Net total receivables	<u>\$ 2,694,199</u>	<u>\$ 3,614</u>	<u>\$ 796,142</u>	<u>\$ 52,954</u>
	Nonmajor Governmental	Sanitation	Total	
Receivables:				
Taxes	\$ 372,086	\$ -	\$ 667,254	
Accounts receivables	-	568,938	6,725,054	
Leases receivable	785,599	-	1,369,325	
Other receivables	19,077	-	82,362	
Intergovernmental	62,403	-	1,932,583	
Gross receivables	1,239,165	568,938	10,776,578	
Less allowance for uncollectibles	-	(42,224)	(5,463,790)	
Net total receivables	<u>\$ 1,239,165</u>	<u>\$ 526,714</u>	<u>\$ 5,312,788</u>	

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6. LEASES RECEIVABLE

The City has leased a building to a third party. The City receives monthly payments of \$34,553, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used an incremental borrowing rate of 5.25% as the discount rate for the lease. For the current year, the City recognized \$365,581 in lease revenue and \$51,649 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on June 30, 2026. This deferred inflow of resources has a balance of \$731,162 as of June 30, 2024. As of June 30, 2024, the City's receivable for lease payments was \$785,599.

The City leased a parcel of land, upon which to place a cell tower antenna, to a third party. The City receives monthly payments ranging from \$2,300 to \$4,023, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used an incremental borrowing rate of 3.25% as the discount rate for the lease. For the current year, the City recognized \$25,748 in lease revenue and \$8,479 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on June 30, 2046. This deferred inflow of resources has a balance of \$566,457 as of June 30, 2024. As of June 30, 2024, the City's receivable for lease payments was \$583,726.

NOTE 7. PROPERTY TAXES

The City has contracted with the Douglas County Tax Commissioner's Office for the billing and collection of its property taxes. All property tax revenues are recognized when levied to the extent that they result in current receivables. Property tax receivables outstanding more than 60 days after June 30 are recorded as deferred inflows of resources for unavailable revenue in the governmental funds. For the year ended June 30, 2024, property taxes were levied by Douglas County on January 1, 2023 and were due December 4, 2023. Collections not received by December 5, 2023 are considered delinquent. The dates on which liens were attached to property for unpaid taxes varied.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8. CAPITAL ASSETS

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

A. Primary Government

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 30,372,132	\$ -	\$ -	\$ (14,524)	\$ 30,357,608
Construction in progress	21,995,990	17,181,915	(16,502,523)	-	22,675,382
Total	<u>52,368,122</u>	<u>17,181,915</u>	<u>(16,502,523)</u>	<u>(14,524)</u>	<u>53,032,990</u>
Capital assets, being depreciated:					
Infrastructure	101,298,313	-	-	-	101,298,313
Buildings	55,967,048	59,942	425,130	-	56,452,120
Other improvements	18,295,458	343,519	16,077,393	-	34,716,370
Machinery, equipment, and vehicles	26,790,284	1,736,668	-	(797,982)	27,728,970
Lease assets	567,060	-	-	-	567,060
Subscription assets	707,015	-	-	-	707,015
Total	<u>203,625,178</u>	<u>2,140,129</u>	<u>16,502,523</u>	<u>(797,982)</u>	<u>221,469,848</u>
Less accumulated depreciation:					
Infrastructure	(86,595,050)	(937,360)	-	-	(87,532,410)
Buildings	(15,717,202)	(1,664,220)	-	-	(17,381,422)
Other improvements	(7,481,089)	(811,063)	-	-	(8,292,152)
Machinery, equipment, and vehicles	(19,526,504)	(2,175,461)	-	751,900	(20,950,065)
Lease assets	(254,764)	(127,382)	-	-	(382,146)
Subscription assets	(203,481)	(204,629)	-	-	(408,110)
Total	<u>(129,778,090)</u>	<u>(5,920,115)</u>	<u>-</u>	<u>751,900</u>	<u>(134,946,305)</u>
Total assets, being depreciated, net	<u>73,847,088</u>	<u>(3,779,986)</u>	<u>16,502,523</u>	<u>(46,082)</u>	<u>86,523,543</u>
Governmental activities capital assets, net	<u>\$ 126,215,210</u>	<u>\$ 13,401,929</u>	<u>\$ -</u>	<u>\$ (60,606)</u>	<u>\$ 139,556,533</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8. CAPITAL ASSETS (CONTINUED)

B. Business-Type Activities

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Construction in Progress	\$ -	\$ 328,977	\$ -	\$ -	\$ 328,977
Total	-	328,977	-	-	328,977
Capital assets, being depreciated:					
Buildings	7,565,417	10	-	-	7,565,427
Vehicles	3,728,754	233,614	(558,132)	-	3,404,236
Machinery and equipment	671,365	1,495	(53,167)	-	619,693
Improvements	19,091	-	-	-	19,091
Total	11,984,627	235,119	(611,299)	-	11,608,447
Less accumulated depreciation for:					
Buildings	(547,782)	(151,303)	-	-	(699,085)
Vehicles	(3,246,460)	(423,061)	556,432	-	(3,113,089)
Machinery and equipment	(638,910)	(19,080)	53,167	-	(604,823)
Improvements	(5,250)	(955)	-	-	(6,205)
Total	(4,438,402)	(594,399)	609,599	-	(4,423,202)
Total assets, being depreciated, net	7,546,225	(359,280)	(1,700)	-	7,185,245
Business-type activities capital assets, net	\$ 7,546,225	\$ (30,303)	\$ (1,700)	\$ -	\$ 7,514,222

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

Governmental activities:

General Government	\$ 530,448
Judicial	682
Public Safety	2,096,921
Public Works	1,045,694
Culture and Recreation	1,723,024
Housing and Development	523,346

Total depreciation and amortization expense - governmental activities	<u>\$ 5,920,115</u>
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Business-type activities

Sanitation	<u>\$ 594,399</u>
Total depreciation expense - business-type activities	<u>\$ 594,399</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9. LEASE AND SUBSCRIPTION ASSETS

	Beginning Balance	Increases	Decreases	Ending Balance
Lease assets				
Machinery and equipment	\$ 567,060	\$ -	\$ -	\$ 567,060
Total	567,060	-	-	567,060
Less accumulated amortization:				
Machinery and equipment	(254,764)	(127,382)	-	(382,146)
Total	(254,764)	(127,382)	-	(382,146)
Governmental activities lease assets, net	<u>\$ 312,296</u>	<u>\$ (127,382)</u>	<u>\$ -</u>	<u>\$ 184,914</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Subscription assets				
Software	\$ 707,015	\$ -	\$ -	\$ 707,015
Total	707,015	-	-	707,015
Less accumulated amortization:				
Software	(203,481)	(204,629)	-	(408,110)
Total	(203,481)	(204,629)	-	(408,110)
Governmental activities subscription assets, net	<u>\$ 503,534</u>	<u>\$ (204,629)</u>	<u>\$ -</u>	<u>\$ 298,905</u>

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CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Direct placement - bonds payable	\$ 58,209,381	\$ -	\$ (3,467,372)	\$ 54,742,009	\$ 3,661,738
Plus unamortized premiums	4,986,033	-	(500,332)	4,485,701	-
Less unamortized discounts	(9,661)	-	1,267	(8,394)	-
Bonds payable, net	63,185,753	-	(3,966,437)	59,219,316	3,661,738
Direct borrowing - notes payable	185,570	-	(128,032)	57,538	57,538
Lease liabilities	312,073	-	(124,169)	187,904	128,164
Subscription based information technology arrangements	327,912	-	(157,998)	169,914	162,330
Net pension liability	11,539,214	8,868,894	(6,059,588)	14,348,520	-
Net OPEB liability	19,878,423	1,146,750	(5,624,742)	15,400,431	-
Compensated absences	1,018,691	830,580	(625,400)	1,223,871	979,097
Governmental activities Long-term liabilities	\$ 96,447,636	\$ 10,846,224	\$ (16,686,366)	\$ 90,607,494	\$ 4,988,867
Business-type activities:					
Compensated absences	\$ 85,339	\$ 70,093	\$ (58,773)	\$ 96,659	\$ 77,327
Net pension liability	707,562	631,376	(317,468)	1,021,470	-
Business-type activity Long-term liabilities	\$ 792,901	\$ 701,469	\$ (376,241)	\$ 1,118,129	\$ 77,327

For governmental activities, the net pension liability, net OPEB liability, and compensated absences are generally liquidated by the General Fund. For business-type activities, the net pension liability and compensated absences are liquidated by the Sanitation Fund.

Direct Placement Bonds

General Obligation Bonds. On September 29, 2016, the City issued General Obligation Bonds, Series 2016 in the aggregate principal amount of \$13,600,000, the proceeds of which (when combined with the original issue premium of \$1,679,464) were used to refund \$13,870,000 of the previously outstanding General Obligation Bonds, Series 2009. The bonds bear interest at rates ranging from 2.25% to 4.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually, commencing on February 1, 2020 until the bonds mature on February 1, 2029. Funds held in the City's Series 2016 Sinking Fund are kept separate from all other funds of the City and are pledged to be used to pay the debt service costs associated with the Series 2016 Bonds. As of June 30, 2024, the outstanding balance of the Series 2016 Bonds is \$7,355,000.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

In February 2022 the City issued General Obligation Bonds, Series 2022 in the aggregate principal amount of \$22,485,000, the proceeds of which (when combined with the original issue premium of \$3,015,690) will be used to pay for all or a portion of the costs of the acquisition, construction and furnishing of additional amenities and recreational facilities at the Jessie G. Davis Memorial Park, and other projects of the City. The bonds bear interest at rates ranging from 4.00% to 5.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually, commencing on February 1, 2024 until the bonds mature on February 1, 2047. As of June 30, 2024, the outstanding balance of the Series 2022 Bonds is \$21,965,000.

Revenue Bonds. In September 2005, the Douglasville Public Purpose Corporation issued Series 2005 Revenue Bonds in the aggregate principal amount of \$7,253,713 for the purpose of financing the construction of a public service building. The bonds were issued at a variable rate equal to 61.1% of the one-month London Interbank Offered Rate (LIBOR) plus 115 basis points. As a result of global reference rate reform, LIBOR has been replaced by the Secured Overnight Financing Rate (SOFR) as of July 1, 2023. Payments of principal and interest are due monthly, on the first of each month commencing on October 1, 2005 until the bonds mature on May 1, 2026. As of June 30, 2024, the outstanding balance of the Series 2005 Bonds is \$1,112,008. As part of the issuance of the bonds, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to make a monthly interest payment to, or on behalf of the Swap Counterparty, equal to 4.11% times a notional amount specified in the Swap Agreement (which adjusts with each payment to be the outstanding balance of the Series 2005 Revenue Bonds) and the Swap Counterparty will pay to, or on behalf of, the City a monthly payment equal to 61.1% of one-month SOFR plus 115 basis points times the notional amount specified in the Swap Agreement. The monthly 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 bonds and as noted above, the variable rate of interest on the bonds and the Swap Agreement are the same. Monthly interest payments between the City, the bondholders, and the Swap Counterparty can be made in net settlement form as part of this agreement. This agreement matures on May 1, 2026, at the same time of the bonds. This derivative qualifies as a cash flow 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 A3 by Moody's. At June 30, 2024, the floating rate being received by the City from the Swap Counterparty and paid by the City to bondholders is 1.183% and the market value of this agreement is \$776, an increase of \$246 from the market value at the end of the previous fiscal year.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued). The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2024 based on the derivative contract. This market value is reported as a liability in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the outflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as a deferred outflow of resources in the statement of net position.

On December 28, 2017, the City issued Douglasville Convention & Conference Center Authority Revenue Refunding Bonds, Series 2017 A & B in the aggregate principal amount of \$9,015,000 and \$465,000, respectively, the proceeds of which were used to refund \$9,240,000 of the previously outstanding Douglasville Convention & Conference Center Authority Series 2011 Revenue Bonds. The bonds bear interest at rates ranging from 2.85% to 5.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually, commencing on February 1, 2023 until the bonds mature on February 1, 2035. As of June 30, 2024, the outstanding balance of the Series 2017A Bonds is \$8,135,000 and the Series 2017B Bonds have been repaid in full.

The refunding transaction undertaken by the City resulted in aggregate debt service savings of \$603,957 and an economic gain (net present value of the aggregate debt service savings) of \$512,883. As part of the refunding, the City defeased certain outstanding revenue bonds, Series 2011 by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of June 30, 2024, the outstanding amount of Douglasville Convention & Conference Center Authority Revenue Bonds, Series 2011 considered defeased is \$8,670,000.

The Douglasville Convention & Conference Center Authority's Series 2017 A & B revenue bonds contain a provision that in any event of default, a receiver appointed in accordance with law or any bond holder may proceed to protect and enforce the rights of the bond holders by a suit, action, or special proceedings in equity, or at law, for the special performance of any covenant or agreement contained in the bond resolution or in aid or execution of any power granted in the bond resolution, or contained in the contract, or for the enactment of any proper legal or equitable remedy as such bond holder shall deem most effectual to protect and enforce the rights authorized by law. An event of default is defined in the bond resolution as a default in the payment of the principal or interest of the bond when the payments are due and payable, the Authority admits in writing its inability to pay its debts generally as they become due, or the Authority files a petition for bankruptcy.

On January 24, 2013, the Douglasville Convention and Conference Center Authority issued \$4,110,000 of Series 2013 Revenue Bonds for the purpose of financing the cost of the design, acquisition, and construction, of the West Pines Golf Course. The bonds bear interest at rates ranging from 2.00% to 3.25% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually commencing on August 1, 2013 until the bonds mature on August 1, 2035. As of June 30, 2024, the outstanding balance of the Series 2013 Bonds is \$2,565,000.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

The City's outstanding amounts from direct placement related to the West Pines Golf Course of \$2,745,000 contain a provision that in the event of default and the City is unable to make deposits to the trustee on time and sufficient to make debt service payments, the non-defaulting party or the bond holders may seek appointment of a receiver; the Authority or the bond holders may require the City to furnish copies of all books and records of the City pertaining to the project; or the non-defaulting party or the bond holders may take whatever action at law or equity may appear necessary or desirable to collect the contract payments. An event of default is defined as failure of the City to make contract payments or the failure of the City to observe and perform any covenant, condition, or agreement of the contract.

In September 2021, the Douglasville Convention and Conference Center Authority issued \$14,375,000 of Series 2021 Revenue Bonds for the purpose of paying the cost of acquiring, constructing, installing, and equipping of public parks and recreation improvements located within the City. The bonds bear interest at rates ranging from 2.25% to 4.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually commencing on February 1, 2023 until the bonds mature on February 1, 2047. As of June 30, 2024, the outstanding balance of the Series 2021 Bonds is \$13,610,000.

The annual debt service requirements to maturity on all of the City's bonds outstanding at June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2025	\$ 3,661,738	\$ 1,997,974	\$ 5,659,712
2026	3,865,271	1,897,234	5,762,505
2027	3,365,000	1,790,794	5,155,794
2028	3,510,000	1,646,525	5,156,525
2029	3,635,000	1,514,425	5,149,425
2030-2034	11,725,000	5,979,000	17,704,000
2035-2039	8,925,000	3,697,738	12,622,738
2040-2044	9,515,000	2,100,938	11,615,938
2045-2047	6,540,000	447,388	6,987,388
Total	<u>\$ 54,742,009</u>	<u>\$ 21,072,016</u>	<u>\$ 75,814,025</u>

Direct Borrowings

Note Payable

On April 30, 2020 the City entered into an agreement with Georgia Power, an electric utility, to facilitate the relocation of power distribution facilities in the City. The City does not hold title to any asset related to this debt. The total estimated cost for the relocation was \$546,350 which the City reports as a fixed note payable, due in monthly principal and interest installments of \$11,820, maturing in November 2024. Debt service requirements on the City's note payable are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2025	\$ 57,538	\$ 1,560	\$ 59,098
Total	<u>\$ 57,538</u>	<u>\$ 1,560</u>	<u>\$ 59,098</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT (CONTINUED)

Direct Borrowings (Continued)

Lease Liabilities

In August 2021, the City entered into a five-year lease agreement as lessee for police department taser equipment. An initial lease liability was recorded in the amount of \$287,654. As of June 30, 2024, the value of the lease liability was \$117,183. The City is required to make annual payments of \$62,130. The lease has an interest rate of 4.00%. The equipment has a 5-year estimated useful life and the value of the lease asset as of the end of the current fiscal year was \$287,654 and had accumulated amortization of \$172,592.

In August 2021, the City entered into a four-year lease agreement as lessee for golf carts. An initial lease liability was recorded in the amount of \$279,406. As of June 30, 2024, the value of the lease liability was \$70,721. The City is required to make annual payments of \$72,553. The lease has an interest rate of 2.59%. The equipment has a 4-year estimated useful life and the value of the lease asset as of the end of the current fiscal year was \$279,406 and had accumulated amortization of \$209,554.

Debt service requirements on the City's lease liabilities are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2025	\$ 128,164	\$ 6,519	\$ 134,683
2026	59,740	2,390	62,130
Total	\$ 187,904	\$ 8,909	\$ 196,813

Subscription-Based Information Technology Arrangements (SBITAs)

On July 1, 2022, the City entered into a 45 month subscription for the use of cybersecurity software. An initial subscription liability was recorded in the amount of \$98,103. As of June 30, 2024, the value of the subscription liability is \$33,439. The City is required to make annual payments of \$34,200, which include principal and interest at a rate of 2.275%. The subscription asset is valued at \$98,103, and as of June 30, 2024 has accumulated amortization of \$65,402.

On November 30, 2022, the City entered into a 48 month subscription for the use of public safety software for police use. An initial subscription liability was recorded in the amount of \$28,561. As of June 30, 2024, the value of the subscription liability is \$14,709. The City is required to make annual payments ranging from \$7,165 to \$7,829, which include principal and interest at a rate of 3.238%. The subscription asset is valued at \$28,561, and as of June 30, 2024 has accumulated amortization of \$14,281.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10. LONG-TERM DEBT (CONTINUED)

Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

On February 20, 2023, the City entered into a 36 month subscription for the use of public safety software. An initial subscription liability was recorded in the amount of \$365,381. As of June 30, 2024, the value of the subscription liability is \$121,766. The City is required to make annual payments of \$125,000, which include principal and interest at a rate of 2.656%. The subscription asset is valued at \$365,381, and as of June 30, 2024 has accumulated amortization of \$243,588.

Debt service requirements on the City's SBITAs are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2025	\$ 162,330	\$ 4,471	\$ 166,801
2026	7,584	246	7,830
Total	<u>\$ 169,914</u>	<u>\$ 4,717</u>	<u>\$ 174,631</u>

NOTE 11. INTERFUND BALANCES AND TRANSFERS

The composition of due to/from other funds as of June 30, 2024 is as follows:

Due to	Due from	Amount
American Rescue Plan Fund	General Fund	\$ 4,590,693
Nonmajor governmental funds	General Fund	5,143,661
General Fund	Nonmajor governmental funds	64,269
Nonmajor governmental funds	Nonmajor governmental funds	167,303
Nonmajor governmental funds	Sanitation Fund	781,521
		<u>\$ 10,747,447</u>

Interfund balances are the result of expenditures being covered by the General Fund and the American Rescue Plan Fund for projects and purposes of other funds, and are due to the timing of year end and the actual payments and receipts between the funds.

The composition of transfers to/from during the year ended June 30, 2024 is as follows:

Transfers from	Transfers to	Amount
General fund	Jessie Davis Park Capital Project Fund	\$ 500,000
Nonmajor governmental funds	Nonmajor governmental funds	241,500
		<u>\$ 741,500</u>

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) move rental car tax to the Hotel/Motel Tax Fund to supplement funding for debt service payments.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12. JOINT VENTURE

Under Georgia law, the City in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in an ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an ARC. Separate financial statements may be obtained from the Atlanta Regional Commission, 229 Peachtree St. NE Suite 100, Atlanta, Georgia 30303.

NOTE 13. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Douglasville Retirement Plan), covering all of the City's full-time employees. The City's pension plan is administered through the Georgia Municipal Employee Benefits System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, and death benefits to plan members and beneficiaries. All City employees, including elected officials, are eligible to participate in the Plan on the date of full-time employment (i.e., there is no waiting period to enroll in the Plan). Benefits are considered fully vested after five (5) years of service. Normal retirement is considered to be at age 65 with 5 years of service and participants may elect early retirement at age 55 with 10 years of service. The benefit is calculated based on total years of service and a 1.75% multiplier times their final average earnings for the 5 highest consecutive years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gacities.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan Membership. As of January 1, 2024, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	140
Inactive plan members entitled to but not receiving benefits	163
Active plan members	282
Total plan membership	<u>585</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (Continued)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. Currently, active employees do not contribute to the Plan. For the year ended June 30, 2024, the City's recommended contribution rate was 9.48% of annual payroll; actual contributions came to 9.48%.

City contributions to the Plan were \$1,624,531 for the year ended June 30, 2024.

Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

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

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

Mortality rates for the January 1, 2023 valuation were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019 conducted in November and December of 2019.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized below.

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.91%
International equity	20%	7.21
Domestic fixed income	20%	1.61
Global fixed income	5%	1.67
Real estate	10%	3.61
Cash	—%	
Total	100%	

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (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, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2023	\$ 49,017,204	\$ 36,770,428	\$ 12,246,776
Changes for the year:			
Service cost	670,482	-	670,482
Interest	3,572,024	-	3,572,024
Differences between expected and actual experience	4,213,159	-	4,213,159
Contributions—employer	-	1,433,013	(1,433,013)
Net investment income	-	4,944,043	(4,944,043)
Benefit payments, including refunds of employee contributions	(2,506,935)	(2,506,935)	-
Administrative expense	-	(68,507)	68,507
Changes in actuarial assumptions	976,098	-	976,098
Net changes	6,924,828	3,801,614	3,123,214
Balances at 6/30/2024	\$ 55,942,032	\$ 40,572,042	\$ 15,369,990

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

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

	1% Decrease (6.375%)	Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 22,581,590	\$ 15,369,990	\$ 9,366,946

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2024, the City recognized pension expense of \$5,073,790. At June 30, 2024, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 3,852,070
Net difference between projected and actual earnings on pension plan investments	1,873,685
City contributions subsequent to the measurement date	<u>1,218,398</u>
Total	<u><u>\$ 6,944,153</u></u>

City contributions subsequent to the measurement date of \$1,218,398 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2025	\$ 1,678,877
2026	1,793,064
2027	2,708,684
2028	<u>(454,870)</u>
Total	<u><u>\$ 5,725,755</u></u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14. RISK MANAGEMENT

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

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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

Settled claims in the past three years have not exceeded insurance coverage.

NOTE 15. COMMITMENTS AND CONTINGENCIES

A. Litigation

The City is party to various legal proceedings and claims that arise in the ordinary course of operation. Although the outcome of these losses is presently not determinable, in the opinion of management and legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

B. Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies.

C. Commitments

The City has executed contracts with third parties for various projects throughout the City. As of June 30, 2024, the balance of those contracts representing commitments made by the City for work not yet completed is \$7,928,123.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16. HOTEL/MOTEL LODGING TAX

Under the provisions of the Official Code of Georgia Annotated (OCGA) Section §48-13-51, the City has imposed and collected hotel/motel taxes at a rate of 8%. The Code section requires that the City expend a percentage of the taxes collected for the purpose of promoting tourism, conventions, trade shows, etc., and promoting the City and business therein. During the year ended June 30, 2024, the City expended for promotional purposes 100% of such taxes collected.

The following is a summary of the collections and expenditures for the year ended June 30, 2024:

Total Collected	\$2,629,929
Amount Expended for Promotional Purposes	\$2,835,604

NOTE 17. RENTAL CAR EXCISE TAX

Under the provisions of the Official Code of Georgia Annotated (OCGA) Section §48-13-93, the City has imposed an excise tax on the rental of motor vehicles within the City. The Code section requires that the City expend these funds for the acquisition, construction, renovation, improvement, maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety or public improvements for sports and recreational facilities.

The following is a summary of the collections and expenditures for the year ended June 30, 2024:

Total Collected	\$277,665
Amount Expended for Recreational Facilities	\$241,500

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City of Douglasville Other Postemployment Benefits Plan (the “OPEB Plan”) is a defined benefit postretirement healthcare, prescription drug, and life insurance plan. The OPEB Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent-multiple employer OPEB Plan administered by the Georgia Municipal Association (GMA). The City Council has the authority to establish and amend the OPEB Plan, including any amendments to the benefit provisions. Although the City established an irrevocable OPEB trust, which meets the criteria in paragraph 4 of GASB Statement No. 75, during the 2020 measurement period, they have not elected to continue funding the OPEB Plan any further. Instead, the City plans on maintaining the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise. However, the GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS as a whole. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

Benefits. Medical, prescription drug, dental and life benefits are provided to all eligible retirees depending upon whether the retiree had medical, prescription drug, dental and life benefits at the time of retirement. Benefits are payable for the duration of the retiree's life and include spousal benefits as well at the same level as the retiree. The portion of the monthly premium paid by the City and the retiree will vary depending on the plan selected by the retiree (PPO, HMO, etc.). Benefits are payable to a surviving spouse for one (1) year after the retiree's death.

Plan Membership. As of January 1, 2023, the date of the most recent actuarial valuation, OPEB plan membership consisted of the following:

Retirees and spouses currently receiving benefits	66
Active employees	<u>252</u>
Total plan membership	<u><u>318</u></u>

City Contributions

Although the City established an irrevocable OPEB trust during the 2020 measurement period, they have not elected to continue funding the OPEB Plan any further. Instead, the City plans on maintaining the OPEB Plan on a "pay-as-you-go" basis, in that claims are paid as they arise. OPEB plan members, once retired, contribute to the OPEB plan based on numbers of years of creditable service and level/type of benefits selected. Per a resolution of the City Council, the City is required to contribute the current year benefits costs of the OPEB plan which are not paid by the retiree. For the year ended June 30, 2024, the City contributed \$461,119 for the pay-as-you-go benefits of the OPEB plan.

Net OPEB Liability of the City

The City's net OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of January 1, 2022 with the actuary using standard techniques to rollforward the liability to the measurement date.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability of the City (Continued)

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

Discount Rate:	3.65%
Healthcare Cost Trend Rate:	7.00% - 4.50%, Ultimate Trend in 2035 (PPO & HMO) 21.80% - 4.50%, Ultimate Trend in 2026 (Humana MA) 5.80% - 3.00%, Ultimate Trend in 2026 (Dental)
Inflation Rate:	2.25%
Salary increase:	2.25% plus service based merit increases
Participation rate:	80%

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

The Pri-2012 head count weighted Healthy Retiree Mortality Table was determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on results of an actuarial experience study for the period January 1, 2015 through June 30, 2019. Mortality experience will be reviewed periodically and updated if necessary.

Discount Rate. The discount rate used to measure the net OPEB liability was 3.65%, an increase from the prior year of 3.54%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.54% as determined by the Bond Buyer 20-Bond GO Index Rate published closest to, but no later than, the measurement date of June 30, 2023.

Changes in the Net OPEB Liability of the City. The changes in the net OPEB liability of the City for the year ended June 30, 2024, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 6/30/2023	\$ 20,439,671	\$ 561,248	\$ 19,878,423
Changes for the year:			
Service cost	412,628	-	412,628
Interest	729,704	-	729,704
Employer contributions	-	732,571	(732,571)
Differences between expected and actual experience	(153,726)	-	(153,726)
Assumption changes	(4,660,097)	-	(4,660,097)
Net investment income	-	78,348	(78,348)
Benefit payments	(482,571)	(482,571)	-
Administrative costs	-	(4,418)	4,418
Net changes	<u>(4,154,062)</u>	<u>323,930</u>	<u>(4,477,992)</u>
Balances at 6/30/2024	<u>\$ 16,285,609</u>	<u>\$ 885,178</u>	<u>\$ 15,400,431</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Net OPEB Liability of the City (Continued). The required schedule of changes in the City's net OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the net OPEB liability.

Sensitivity of the Net OPEB liability to Changes in the Discount Rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1 percentage-point higher (4.65%) than the current discount rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
City's net OPEB liability	\$ 17,913,292	\$ 15,400,431	\$ 13,361,988

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates noted above in the actuarial assumptions:

	1% Decrease in Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Healthcare Cost Trend Rates
City's net OPEB liability	\$ 13,255,189	\$ 15,400,431	\$ 18,092,024

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2024 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2024, the City recognized OPEB expense of (\$1,803,125). At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 461,119	\$ -
Differences between expected and actual experience	-	2,114,971
Differences between projected and actual earnings on pension plan investments	4,940	-
Changes in assumptions	3,365,284	12,713,247
Total	<u>\$ 3,831,343</u>	<u>\$ 14,828,218</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

City contributions subsequent to the measurement date of \$461,119 will reduce the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2025	\$ (2,462,107)
2026	(2,288,288)
2027	(2,492,909)
2028	(2,839,312)
2029 and thereafter	<u>(1,375,378)</u>
Total	<u>\$ (11,457,994)</u>

NOTE 19. TAX ABATEMENTS

The City, through its Development Authority, enters into property tax abatement agreements with local businesses under the economic development laws of the State of Georgia. Under these laws, localities may grant property tax abatements for the purpose of attracting businesses within their jurisdiction.

For the fiscal year ended June 30, 2024, the City abated property tax revenues totaling \$208,187 under its economic development program, including the following tax abatement agreement that exceeded 10% of the total amount abated:

- A 70% abatement on real property taxes and personal property taxes to an organic food distributor amounting to \$75,332, a 20% abatement on real property taxes and personal property taxes to a medical supply manufacturer and distributor amounting to \$74,540, and a 40% abatement on real property taxes and personal property taxes totaling \$48,680 to a wholesale food distributor. In exchange for the tax incentives, the companies have committed to creating new full-time jobs.

For the above agreements, the mechanism by which the taxes are being abated is a reduction of assessed value. Furthermore, if the companies fail to meet the economic investment targets, the percentage of assessed value being reduced will be changed based on a sliding scale. For any period in which the actual amount of abated taxes exceeds the adjusted amount per the sliding scale, a payment-in-lieu-of-tax (PILOT) payment will be required to be made for the difference.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 20. ACCOUNTING CHANGES

For the year ended June 30, 2024, the financial statements include the adoption of Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

Change in Major Funds: In the current year, the City's governmental funds reported as major changed from the prior year. The effect of this change to or within the financial reporting entity is illustrated in the table below:

	Reporting Units Affected by Restatements of Beginning Balances			
	Governmental Funds			
	SPLOST 2016	SPLOST 2022	Town Green Amphitheater Construction Fund	Nonmajor Governmental Funds
June 30, 2023, as previously reported	\$ 4,684,380	\$ -	\$ 2,974,040	\$ 11,481,383
Change from nonmajor fund to major fund	-	1,473,210	-	(1,473,210)
Change from major fund to nonmajor fund	(4,684,380)	-	(2,974,040)	7,658,420
June 30, 2023, as restated	<u>\$ -</u>	<u>\$ 1,473,210</u>	<u>\$ -</u>	<u>\$ 17,666,593</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 39,009,945	\$ 35,950,994	\$ 36,113,563	\$ 162,569
Licenses and permits	3,718,160	3,861,500	4,566,765	705,265
Intergovernmental revenues	20,000	20,000	20,000	-
Fines and forfeitures	1,966,571	2,404,634	3,640,230	1,235,596
Charges for services	3,078,298	2,502,669	2,477,534	(25,135)
Interest income	1,221,553	2,030,954	2,165,740	134,786
Contributions	208,326	20,000	45,000	25,000
Miscellaneous	197,778	240,097	231,732	(8,365)
Total revenues	49,420,631	47,030,848	49,260,564	2,229,716
Expenditures:				
Current:				
General Government:				
Mayor and Council				
Personal services	196,701	195,481	195,720	(239)
Other operating expenditures	224,679	217,700	109,696	108,004
Total Mayor and Council	421,380	413,181	305,416	107,765
Clerk of Council				
Personal services	300,392	204,753	203,908	845
Other operating expenditures	42,119	105,106	99,485	5,621
Total Clerk of Council	342,511	309,859	303,393	6,466
City Manager				
Personal services	822,196	791,043	791,043	-
Other operating expenditures	105,517	84,239	73,329	10,910
Total City Manager	927,713	875,282	864,372	10,910
Financial Administration				
Personal services	933,888	869,891	860,775	9,116
Other operating expenditures	418,062	338,533	338,232	301
Capital outlay	-	39,900	39,900	-
Total Financial Administration	1,351,950	1,248,324	1,238,907	9,417
Legal				
Personal services	115,037	109,332	109,253	79
Other operating expenditures	313,765	261,646	121,315	140,331
Total Legal	428,802	370,978	230,568	140,410
Information Services				
Personal services	354,399	331,036	304,572	26,464
Other operating expenditures	1,010,779	1,168,411	710,403	458,008
Capital outlay	117,000	154,000	109,543	44,457
Total Information Services	1,482,178	1,653,447	1,124,518	528,929
Human Resources				
Personal services	659,699	740,884	740,884	-
Other operating expenditures	651,314	645,910	512,492	133,418
Total Human Resources	1,311,013	1,386,794	1,253,376	133,418

Continued

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
Building and Grounds				
Personal services	\$ 675,108	\$ 642,264	\$ 575,013	\$ 67,251
Other operating expenditures	450,705	417,394	272,289	145,105
Capital outlay	150,000	357,553	59,356	298,197
Total Building and Grounds	1,275,813	1,417,211	906,658	510,553
Communications				
Personal services	771,734	674,279	662,996	11,283
Other operating expenditures	307,509	237,240	226,421	10,819
Capital outlay	11,600	6,547	6,547	-
Total Communications	1,090,843	918,066	895,964	22,102
Engineering				
Personal services	454,814	465,987	425,404	40,583
Other operating expenditures	245,590	179,520	82,760	96,760
Capital outlay	55,000	81,800	4,493	77,307
Total Engineering	755,404	727,307	512,657	214,650
General Administration				
Personal services	3,569,937	1,451,207	1,454,600	(3,393)
Other operating expenditures	5,301,594	7,164,676	2,903,327	4,261,349
Total General Administration	8,871,531	8,615,883	4,357,927	4,257,956
Total General Government	18,259,138	17,936,332	11,993,756	5,942,576
Judicial:				
Municipal Court				
Personal services	685,463	716,825	640,628	76,197
Other operating expenditures	362,147	327,606	1,421,620	(1,094,014)
Capital outlay	6,133	56,740	51,823	4,917
Total Municipal Court	1,053,743	1,101,171	2,114,071	(1,012,900)
Total Judicial	1,053,743	1,101,171	2,114,071	(1,012,900)
Public Safety:				
Police				
Personal services	12,661,642	12,013,915	11,969,655	44,260
Other operating expenditures	3,737,549	3,548,222	3,340,391	207,831
Capital outlay	352,200	690,149	259,276	430,873
Total Police	16,751,391	16,252,286	15,569,322	682,964
Total Public Safety	16,751,391	16,252,286	15,569,322	682,964
Public Works:				
Street Maintenance				
Personal services	1,608,072	1,431,411	1,307,121	124,290
Other operating expenditures	2,021,973	1,563,803	1,554,725	9,078
Capital outlay	713,000	801,501	485,492	316,009
Total Street Maintenance	4,343,045	3,796,715	3,347,338	449,377

Continued

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Garage				
Personal services	\$ 239,191	\$ 226,814	\$ 170,235	\$ 56,579
Other operating expenditures	101,100	90,130	74,973	15,157
Capital outlay	36,000	474,660	332,124	142,536
Total Garage	376,291	791,604	577,332	214,272
Total Public Works	4,719,336	4,588,319	3,924,670	663,649
Culture and Recreation:				
Parks Administration				
Personal services	1,227,498	1,180,486	1,154,433	26,053
Other operating expenditures	385,359	523,519	491,689	31,830
Capital outlay	100,000	7,200	7,200	-
Total Parks Administration	1,712,857	1,711,205	1,653,322	57,883
Parks Maintenance				
Personal services	717,747	684,784	663,490	21,294
Other operating expenditures	540,308	1,011,871	952,614	59,257
Total Parks Maintenance	1,258,055	1,696,655	1,616,104	80,551
Jessie Davis Park				
Personal services	1,005,462	416,648	410,554	6,094
Other operating expenditures	430,316	161,885	176,162	(14,277)
Total Jessie Davis Park	1,435,778	578,533	586,716	(8,183)
West Pines Golf Course				
Personal services	1,449,998	1,236,873	1,204,258	32,615
Other operating expenditures	914,637	1,241,350	683,738	557,612
Capital outlay	75,000	-	-	-
Total West Pines Golf Course	2,439,635	2,478,223	1,887,996	590,227
Town Green				
Other operating expenditures	594,800	820,580	818,654	1,926
Capital outlay	30,000	-	-	-
Total Town Green	624,800	820,580	818,654	1,926
Total Culture and Recreation	7,471,125	7,285,196	6,562,792	722,404
Housing and Development:				
Inspections				
Personal services	502,430	534,607	506,254	28,353
Other operating expenditures	66,649	63,649	15,991	47,658
Capital outlay	40,000	75,000	66,930	8,070
Total Inspections	609,079	673,256	589,175	84,081
Planning and Zoning				
Personal services	172,374	176,861	160,961	15,900
Other operating expenditures	177,753	251,298	153,213	98,085
Capital outlay	-	2,153	2,153	-
Total Planning and Zoning	350,127	430,312	316,327	113,985
Code Enforcement				
Personal services	222,906	244,049	210,083	33,966
Other operating expenditures	51,500	48,584	20,740	27,844
Capital outlay	40,000	75,000	66,930	8,070
Total Code Enforcement	314,406	367,633	297,753	69,880

Continued

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
Community Development				
Personal services	\$ 463,548	\$ 430,309	\$ 411,840	\$ 18,469
Other operating expenditures	146,060	545,586	210,193	335,393
Total Community Development	609,608	975,895	622,033	353,862
 Total Housing and Development	 1,883,220	 2,447,096	 1,825,288	 621,808
Debt Service:				
Principal	642,550	697,029	980,199	(283,170)
Interest	478,878	507,682	528,025	(20,343)
Issuance costs	1,250	3,750	-	3,750
Total debt service	1,122,678	1,208,461	1,508,224	(299,763)
 Total expenditures	 51,260,631	 50,818,861	 43,498,123	 7,320,738
 Excess (deficiency) of revenues over expenditures	 (1,840,000)	 (3,788,013)	 5,762,441	 9,550,454
Other financing sources (uses):				
Proceeds from sale of capital assets	50,000	124,164	135,189	11,025
Transfers in	(10,000)	103,922	-	(103,922)
Transfers out	(200,000)	(514,000)	(500,000)	14,000
Total other financing sources (uses)	(160,000)	(285,914)	(364,811)	(78,897)
 Net change in fund balance	 (2,000,000)	 (4,073,927)	 5,397,630	 9,471,557
Fund balances, beginning of year	32,067,141	32,067,141	32,067,141	-
Fund balances, end of year	\$ 30,067,141	\$ 27,993,214	\$ 37,464,771	\$ 9,471,557

CITY OF DOUGLASVILLE, GEORGIA
AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental revenues	\$ 12,341,628	\$ 12,341,628	\$ 2,061,904	\$ (10,279,724)
Investment income	211,324	211,324	153,866	(57,458)
Total revenues	12,552,952	12,552,952	2,215,770	(10,337,182)
Expenditures:				
Current:				
General government	3,065,960	3,065,960	864,507	2,201,453
Judicial	109	109	-	109
Public safety	1,478,109	1,478,109	38,715	1,439,394
Public works	5,169,096	5,169,096	562,591	4,606,505
Culture and recreation	667,612	667,612	364,895	302,717
Housing and development	10,344	10,344	-	10,344
Capital outlay	2,900,412	2,900,412	231,196	2,669,216
Total expenditures	13,291,642	13,291,642	2,061,904	11,229,738
Excess (deficiency) of revenues over expenditures	(738,690)	(738,690)	153,866	892,556
Other financing sources:				
Transfers in	738,690	738,690	-	(738,690)
Total other financing sources	738,690	738,690	-	(738,690)
Net change in fund balance	-	-	153,866	153,866
Fund balances, beginning of year	186,624	186,624	186,624	-
Fund balances, end of year	\$ 186,624	\$ 186,624	\$ 340,490	\$ 153,866

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

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 670,482	\$ 594,806	\$ 631,053	\$ 586,291	\$ 517,922
Interest on total pension liability	3,572,024	3,353,310	3,212,868	2,943,831	2,655,705
Differences between expected and actual experience	4,213,159	1,304,681	159,440	1,880,573	1,262,479
Changes of assumptions	-	-	-	-	1,676,451
Changes of benefit terms	976,098	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,506,935)	(2,218,792)	(1,906,852)	(1,708,144)	(1,639,780)
Net change in total pension liability	6,924,828	3,034,005	2,096,509	3,702,551	4,472,777
Total pension liability - beginning	49,017,204	45,983,199	43,886,690	40,184,139	35,711,362
Total pension liability - ending (a)	\$ 55,942,032	\$ 49,017,204	\$ 45,983,199	\$ 43,886,690	\$ 40,184,139
Plan fiduciary net position					
Contributions - employer	\$ 1,433,013	\$ 1,397,716	\$ 1,218,168	\$ 930,992	\$ 923,923
Contributions - employee	-	-	-	-	-
Net investment income	4,944,043	(7,270,551)	8,894,354	3,273,060	994,449
Benefit payments, including refunds of member contributions	(2,506,935)	(2,218,792)	(1,906,852)	(1,708,144)	(1,639,780)
Administrative expenses	(68,507)	(67,013)	(66,470)	(62,493)	(59,205)
Net change in plan fiduciary net position	3,801,614	(8,158,640)	8,139,200	2,433,415	219,387
Plan fiduciary net position - beginning	36,770,428	44,929,068	36,789,868	34,356,453	34,137,066
Plan fiduciary net position - ending (b)	\$ 40,572,042	\$ 36,770,428	\$ 44,929,068	\$ 36,789,868	\$ 34,356,453
City's net pension liability - ending (a) - (b)	\$ 15,369,990	\$ 12,246,776	\$ 1,054,131	\$ 7,096,822	\$ 5,827,686
Plan fiduciary net position as a percentage of the total pension liability	72.53%	75.02%	97.71%	83.83%	85.50%
Covered payroll	\$ 14,625,203	\$ 12,533,557	\$ 12,570,123	\$ 12,034,313	\$ 15,806,721
City's net pension liability as a percentage of covered payroll	105.09%	97.71%	8.39%	58.97%	36.87%
	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 539,128	\$ 525,247	\$ 533,286	\$ 497,420	\$ 550,294
Interest on total pension liability	2,571,950	2,481,442	2,270,884	2,139,272	2,094,469
Differences between expected and actual experience	(429,512)	774,375	991,040	(167,287)	(669,619)
Changes of assumptions	-	(634,870)	-	-	(332,866)
Changes of benefit terms	-	-	274,636	439,139	2,683
Benefit payments, including refunds of employee contributions	(1,447,495)	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
Net change in total pension liability	1,234,071	1,771,170	2,738,943	1,818,791	600,990
Total pension liability - beginning	34,477,291	32,706,121	29,967,178	28,148,387	27,547,397
Total pension liability - ending (a)	\$ 35,711,362	\$ 34,477,291	\$ 32,706,121	\$ 29,967,178	\$ 28,148,387
Plan fiduciary net position					
Contributions - employer	\$ 875,663	\$ 817,751	\$ 744,784	\$ 756,309	\$ 851,364
Contributions - employee	-	-	45,462	34,663	-
Net investment income	3,120,799	4,188,234	2,859,566	303,266	2,668,243
Benefit payments, including refunds of member contributions	(1,447,495)	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
Administrative expenses	(61,715)	(65,126)	(38,372)	(42,494)	(33,695)
Net change in plan fiduciary net position	2,487,252	3,565,835	2,280,537	(38,009)	2,441,941
Plan fiduciary net position - beginning	31,649,814	28,083,979	25,803,442	25,841,451	23,399,510
Plan fiduciary net position - ending (b)	\$ 34,137,066	\$ 31,649,814	\$ 28,083,979	\$ 25,803,442	\$ 25,841,451
City's net pension liability - ending (a) - (b)	\$ 1,574,296	\$ 2,827,477	\$ 4,622,142	\$ 4,163,736	\$ 2,306,936
Plan fiduciary net position as a percentage of the total pension liability	95.59%	91.80%	85.87%	86.11%	91.80%
Covered payroll	\$ 10,646,935	\$ 9,952,049	\$ 9,680,685	\$ 8,950,694	\$ 8,713,629
City's net pension liability as a percentage of covered payroll	14.79%	28.41%	47.75%	46.52%	26.48%

**CITY OF DOUGLASVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
CITY OF DOUGLASVILLE RETIREMENT PLAN**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 1,624,531	\$ 1,413,202	\$ 1,397,716	\$ 1,216,993	\$ 873,792
Contributions in relation to the actuarially determined contribution	1,624,531	1,424,599	1,481,581	1,015,336	878,805
Contribution deficiency (excess)	\$ -	\$ (11,397)	\$ (83,865)	\$ 201,657	\$ (5,013)
Covered payroll	\$ 17,140,550	\$ 13,786,754	\$ 12,115,825	\$ 12,721,556	\$ 11,805,232
Contributions as a percentage of covered payroll	9.48%	10.33%	12.23%	7.98%	7.44%
	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 933,949	\$ 864,006	\$ 807,180	\$ 732,305	\$ 761,110
Contributions in relation to the actuarially determined contribution	1,089,607	865,105	868,206	735,755	763,749
Contribution deficiency (excess)	\$ (155,658)	\$ (1,099)	\$ (61,026)	\$ (3,450)	\$ (2,639)
Covered payroll	\$ 10,796,825	\$ 10,596,972	\$ 9,737,074	\$ 9,661,889	\$ 8,713,629
Contributions as a percentage of covered payroll	10.09%	8.16%	8.92%	7.62%	8.76%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2024
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of fair value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost-of-living Adjustment	2.25% for employees hired on or before 10/2/2006; 0.00% otherwise
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 15 years

(2) Benefit Changes:

- (a) An early retirement window (ERIP) was offered between 8/18/2015 and 1/24/2016.
- (b) Effective 8/1/2014, Police have an alternate normal retirement eligibility at age 50 with 25 years of service.
- (c) Effective 1/1/2015, the Plan was amended to provide for immediate participation for employees.
- (d) Effective 4/5/2016, all employees (employed on or after 4/5/2016) have a flat benefit multiplier of 1.75% for all years of service.

CITY OF DOUGLASVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY
AND RELATED RATIOS
CITY OF DOUGLASVILLE OPEB PLAN

	2024	2023	2022	2021
Total OPEB liability				
Service cost	\$ 412,628	\$ 973,244	\$ 976,658	\$ 732,995
Interest on total OPEB liability	729,704	708,841	728,917	955,122
Differences between expected and actual experience	(153,726)	(933,793)	(252,287)	(1,633,848)
Changes of assumptions	(4,660,097)	(11,942,468)	(1,214,155)	5,696,015
Changes in benefit terms	-	-	-	135,528
Benefit payments	(482,571)	(417,023)	(386,471)	(483,475)
Net change in total OPEB liability	(4,154,062)	(11,611,199)	(147,338)	5,402,337
Total OPEB liability - beginning	20,439,671	32,050,870	32,198,208	26,795,871
Total OPEB liability - ending (a)	\$ 16,285,609	\$ 20,439,671	\$ 32,050,870	\$ 32,198,208
Plan fiduciary net position				
Contributions - employer	\$ 732,571	\$ 417,023	\$ 386,471	\$ 876,505
Net investment income	78,348	(71,529)	155,097	(3,405)
Benefit payments, including refunds of member contributions	(482,571)	(417,023)	(386,471)	(393,030)
Administrative expenses	(4,418)	(869)	(340)	(1,181)
Net change in plan fiduciary net position	323,930	(72,398)	154,757	478,889
Plan fiduciary net position - beginning	561,248	633,646	478,889	-
Plan fiduciary net position - ending (b)	\$ 885,178	\$ 561,248	\$ 633,646	\$ 478,889
City's net OPEB liability - ending (a) - (b)	\$ 15,400,431	\$ 19,878,423	\$ 31,417,224	\$ 31,719,319
Covered-employee payroll	\$ 12,852,951	\$ 13,113,619	\$ 13,007,791	\$ 12,721,556
Net OPEB liability as a percentage of covered-employee payroll	119.82%	151.59%	241.53%	249.34%
	2020	2019	2018	
Total OPEB liability				
Service cost	\$ 1,066,754	\$ 1,084,483	\$ 1,279,279	
Interest on total OPEB liability	952,400	869,290	736,593	
Differences between expected and actual experience	(1,634,425)	(195,291)	(216,594)	
Changes of assumptions	3,234,478	(1,051,103)	(2,844,647)	
Changes in benefit terms	(168,685)	-	-	
Benefit payments	(395,430)	(327,943)	(318,771)	
Net change in total OPEB liability	3,055,092	379,436	(1,364,140)	
Total OPEB liability - beginning	23,740,779	23,361,343	24,725,483	
Total OPEB liability - ending (a)	\$ 26,795,871	\$ 23,740,779	\$ 23,361,343	
Plan fiduciary net position				
Contributions - employer	\$ 395,430	\$ 327,943	\$ 318,771	
Net investment income	-	-	-	
Benefit payments, including refunds of member contributions	(395,430)	(327,943)	(318,771)	
Administrative expenses	-	-	-	
Net change in plan fiduciary net position	-	-	-	
Plan fiduciary net position - beginning	-	-	-	
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	
City's net OPEB liability - ending (a) - (b)	\$ 26,795,871	\$ 23,740,779	\$ 23,361,343	
Covered-employee payroll	\$ 11,805,232	\$ 10,080,226	\$ 10,080,226	
Net OPEB liability as a percentage of covered-employee payroll	226.98%	235.52%	231.75%	

Notes to the Schedule:

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

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

	2024	2023	2022	2021
Contractually required contributions	\$ 461,119	\$ 482,571	\$ 417,023	\$ 386,471
Contributions in relation to the contractually required contributions	461,119	482,571	417,023	386,471
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 12,852,951	\$ 13,113,619	\$ 13,007,791	\$ 12,721,556
Contributions as a percentage of covered-employee payroll	3.59%	3.68%	3.21%	3.04%
	2020	2019	2018	
Contractually required contributions	\$ 393,030	\$ 395,430	\$ 327,943	
Contributions in relation to the contractually required contributions	876,505	395,430	327,943	
Contribution deficiency (excess)	\$ (483,475)	\$ -	\$ -	
City's covered-employee payroll	\$ 11,805,232	\$ 10,080,226	\$ 10,080,226	
Contributions as a percentage of covered-employee payroll	7.42%	3.92%	3.25%	

Notes to the Schedule:

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

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Multiple Grant Fund – This fund accounts for the restricted revenue streams resulting from various capital and operating grants awarded to the City.

Hotel/Motel Tax Fund – This fund accounts for the collection of the restricted portion of hotel/motel taxes as required by the Official Code of Georgia Annotated (OCGA) §48-13-51.

Rental Car Excise Tax Fund – This fund accounts for the rental car excise taxes collected that are restricted for construction of convention centers, public safety, and recreation facilities by State of Georgia law.

Public Purpose Corporation Fund – This fund accounts for the debt service payments on the Series 2005 Revenue Bonds which were used to construct a public service building. Paragraph 54 of Governmental Accounting Standards Board (GASB) Statement No. 14 requires the General Fund of a blended component unit to be reported as a special revenue fund of the primary government.

Tax Allocation District Fund – This fund is used to account for property taxes collected on property value increases resulting from the public improvements and private investments taking place within the Douglasville Tax Allocation District authorized by referendum in 2019, and to account for the expenditure of those taxes to pay off any debt incurred by the City to fund those public improvements.

Confiscated Assets Fund – This fund accounts for the cash received either as a result of cash confiscation or cash received from a sale of capital assets acquired from drug raids.

Capital Projects Funds

SPLOST 2016 Fund – This fund accounts for proceeds and expenditures of special purpose local option sales tax (SPLOST), Series 2016, received from Douglas County.

Town Green Amphitheater Capital Project Fund – This fund accounts for the City's expenditure of proceeds from the issuance of the 2021 Conference Center Revenue Bonds for the construction of a new amphitheater in the City.

Debt Service Fund

Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

CITY OF DOUGLASVILLE, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

Special Revenue Funds						
ASSETS	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation	Tax Allocation District	Confiscated Assets
Cash and cash equivalents	\$ 1,135,210	\$ 3,019,214	\$ 344,308	\$ 258,510	\$ 649,912	\$ 635,016
Investments	-	-	-	-	-	1,075,760
Receivables, net:						
Taxes receivable	-	262,924	21,768	-	46,565	-
Lease receivable	-	-	-	785,599	-	-
Other receivables	847	2,176	259	-	4,545	-
Due from other funds	-	948,824	-	-	5,143,661	-
Due from other governments	56,248	-	-	-	-	-
Prepaid items	-	55,514	-	-	-	-
Total assets	<u>\$ 1,192,305</u>	<u>\$ 4,288,652</u>	<u>\$ 366,335</u>	<u>\$ 1,044,109</u>	<u>\$ 5,844,683</u>	<u>\$ 1,710,776</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 12,756	\$ 211,563	\$ -	\$ -	\$ -	\$ 2,364
Retainage payable	-	24,551	-	-	-	-
Accrued liabilities	-	18,492	-	-	-	-
Due to other funds	-	64,269	-	76,769	-	-
Total liabilities	<u>12,756</u>	<u>318,875</u>	<u>-</u>	<u>76,769</u>	<u>-</u>	<u>2,364</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred lease revenue	-	-	-	731,162	-	-
Unavailable revenue - property tax	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,162</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable:						
Prepaid items	-	55,514	-	-	-	-
Restricted for:						
Economic development	-	-	-	-	5,844,683	-
Promotion of tourism	-	3,914,263	366,335	-	-	-
Capital projects	1,179,549	-	-	-	-	1,708,412
Debt service	-	-	-	236,178	-	-
Total fund balances	<u>1,179,549</u>	<u>3,969,777</u>	<u>366,335</u>	<u>236,178</u>	<u>5,844,683</u>	<u>1,708,412</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,192,305</u>	<u>\$ 4,288,652</u>	<u>\$ 366,335</u>	<u>\$ 1,044,109</u>	<u>\$ 5,844,683</u>	<u>\$ 1,710,776</u>

(Continued)

Capital Project Funds			
SPLOST 2016	Town Green Amphitheater Construction Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ 2,819,793	\$ 1,516,883	\$ 377,325	\$ 10,756,171
-	-	-	1,075,760
-	-	40,829	372,086
-	-	-	785,599
2,206	7,558	1,486	19,077
-	-	-	6,092,485
-	-	6,155	62,403
-	-	-	55,514
<u>\$ 2,821,999</u>	<u>\$ 1,524,441</u>	<u>\$ 425,795</u>	<u>\$ 19,219,095</u>
\$ 36,522	\$ 147,462	\$ -	\$ 410,667
-	36,000	-	60,551
-	-	-	18,492
-	87,784	2,750	231,572
<u>36,522</u>	<u>271,246</u>	<u>2,750</u>	<u>721,282</u>
-	-	-	731,162
-	-	40,622	40,622
-	-	40,622	771,784
-	-	-	55,514
-	-	-	5,844,683
-	-	-	4,280,598
2,785,477	1,253,195	-	6,926,633
-	-	382,423	618,601
<u>2,785,477</u>	<u>1,253,195</u>	<u>382,423</u>	<u>17,726,029</u>
<u>\$ 2,821,999</u>	<u>\$ 1,524,441</u>	<u>\$ 425,795</u>	<u>\$ 19,219,095</u>

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

Special Revenue Funds

	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation	Tax Allocation District	Confiscated Assets
Revenues:						
Taxes	\$ -	\$ 2,629,929	\$ 277,665	\$ -	\$ 3,076,606	\$ -
Charges for services	-	208,428	-	489,426	-	-
Intergovernmental	1,277,053	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	33,378
Investment income	9,106	129,709	8,463	53,266	128,515	9,538
Miscellaneous	-	406,706	-	-	-	-
Total revenues	1,286,159	3,374,772	286,128	542,692	3,205,121	42,916
Expenditures:						
Current:						
General government	-	-	-	29,414	23,498	-
Public safety	60,915	-	-	-	-	129,599
Public works	295,755	-	-	-	-	-
Culture and recreation	20,995	2,835,604	-	-	-	-
Housing and development	170,658	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	620,000	-	417,372	-	-
Interest and fiscal charges	-	336,825	-	57,644	-	-
Total expenditures	548,323	3,792,429	-	504,430	23,498	129,599
Excess (deficiency) of revenues over expenditures	737,836	(417,657)	286,128	38,262	3,181,623	(86,683)
Other financing sources (uses):						
Transfers in	-	241,500	-	-	-	-
Transfers out	-	-	(241,500)	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	38,500
Total other financing sources (uses)	-	241,500	(241,500)	-	-	38,500
Net change in fund balances	737,836	(176,157)	44,628	38,262	3,181,623	(48,183)
Fund balances, beginning of year	441,713	4,145,934	321,707	197,916	2,663,060	1,756,595
Adjustment - change to reporting entity	-	-	-	-	-	-
Fund balances, beginning of year, as adjusted	441,713	4,145,934	321,707	197,916	2,663,060	1,756,595
Fund balances, end of year	\$ 1,179,549	\$ 3,969,777	\$ 366,335	\$ 236,178	\$ 5,844,683	\$ 1,708,412

(Continued)

Capital Projects Funds				
<i>(Previously Nonmajor)</i> SPLOST 2022	<i>(Previously Major)</i> SPLOST 2016	<i>(Previously Major)</i> Town Green Amphitheater Construction Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 3,009,041	\$ 8,993,241
-	-	-	-	697,854
-	-	-	-	1,277,053
-	-	-	-	33,378
-	89,770	178,963	23,834	631,164
-	-	-	-	406,706
-	89,770	178,963	3,032,875	12,039,396
-	-	-	3,750	56,662
-	67,000	-	-	257,514
-	1,353,973	-	-	1,649,728
-	178,252	17,861	-	3,052,712
-	-	-	-	170,658
-	389,448	1,881,947	-	2,271,395
-	-	-	1,860,000	2,897,372
-	-	-	1,267,950	1,662,419
-	1,988,673	1,899,808	3,131,700	12,018,460
-	(1,898,903)	(1,720,845)	(98,825)	20,936
-	-	-	-	241,500
-	-	-	-	(241,500)
-	-	-	-	38,500
-	-	-	-	38,500
-	(1,898,903)	(1,720,845)	(98,825)	59,436
1,473,210	-	-	481,248	11,481,383
(1,473,210)	4,684,380	2,974,040	-	6,185,210
-	4,684,380	2,974,040	481,248	17,666,593
\$ -	\$ 2,785,477	\$ 1,253,195	\$ 382,423	\$ 17,726,029

CITY OF DOUGLASVILLE, GEORGIA
MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 398,423	\$ 802,987	\$ 1,277,053	\$ 474,066
Investment income	-	-	9,106	9,106
Total revenues	398,423	802,987	1,286,159	483,172
Expenditures:				
Current:				
Public safety	58,423	86,000	60,915	25,085
Public works	350,000	706,314	295,755	410,559
Culture and recreation	-	24,673	20,995	3,678
Housing and development	-	-	170,658	(170,658)
Total expenditures	408,423	816,987	548,323	268,664
Excess (deficiency) of revenues over expenditures	(10,000)	(14,000)	737,836	751,836
Other financing sources:				
Transfers in	10,000	14,000	-	(14,000)
Total other financing sources	10,000	14,000	-	(14,000)
Net changes in fund balance	-	-	737,836	737,836
Fund balances, beginning of year	441,713	441,713	441,713	-
Fund balances, end of year	<u>\$ 441,713</u>	<u>\$ 441,713</u>	<u>\$ 1,179,549</u>	<u>\$ 737,836</u>

CITY OF DOUGLASVILLE, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 2,494,797	\$ 2,413,966	\$ 2,629,929	\$ 215,963
Charges for services	200,500	150,500	208,428	57,928
Investment income	62,500	52,500	129,709	77,209
Miscellaneous	457,557	446,566	406,706	(39,860)
Total revenues	<u>3,215,354</u>	<u>3,063,532</u>	<u>3,374,772</u>	<u>311,240</u>
Expenditures				
Current:				
Culture and recreation	3,814,931	4,496,280	2,835,604	1,660,676
Debt service:				
Principal retirement	635,000	620,000	620,000	-
Interest and fiscal charges	318,226	336,825	336,825	-
Total expenditures	<u>4,768,157</u>	<u>5,453,105</u>	<u>3,792,429</u>	<u>1,660,676</u>
Deficiency of revenues over expenditures	(1,552,803)	(2,389,573)	(417,657)	1,971,916
Other financing sources:				
Transfers in	231,500	241,500	241,500	-
Transfers out	-	(110,000)	-	110,000
Total other financing sources	<u>231,500</u>	<u>131,500</u>	<u>241,500</u>	<u>110,000</u>
Net changes in fund balance	(1,321,303)	(2,258,073)	(176,157)	2,081,916
Fund balances, beginning of year	<u>4,145,934</u>	<u>4,145,934</u>	<u>4,145,934</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 2,824,631</u></u>	<u><u>\$ 1,887,861</u></u>	<u><u>\$ 3,969,777</u></u>	<u><u>\$ 2,081,916</u></u>

CITY OF DOUGLASVILLE, GEORGIA
RENTAL CAR EXCISE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 225,000	\$ 240,000	\$ 277,665	\$ 37,665
Investment income	6,500	1,500	8,463	6,963
Total revenues	231,500	241,500	286,128	44,628
Other financing uses:				
Transfers out	(231,500)	(241,500)	(241,500)	-
Total other financing uses	(231,500)	(241,500)	(241,500)	-
Net changes in fund balance	-	-	44,628	44,628
Fund balances, beginning of year	321,707	321,707	321,707	-
Fund balances, end of year	\$ 321,707	\$ 321,707	\$ 366,335	\$ 44,628

**CITY OF DOUGLASVILLE, GEORGIA
PUBLIC PURPOSE CORPORATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	\$ 543,321	\$ 543,321	\$ 489,426	\$ (53,895)
Investment income	2,000	1,350	53,266	51,916
Total revenues	<u>545,321</u>	<u>544,671</u>	<u>542,692</u>	<u>(1,979)</u>
Expenditures:				
Current:				
General government	25,000	25,000	29,414	(4,414)
Debt service:				
Principal retirement	408,405	408,405	417,372	(8,967)
Interest and fiscal charges	111,916	111,266	57,644	53,622
Total expenditures	<u>545,321</u>	<u>544,671</u>	<u>504,430</u>	<u>40,241</u>
Net changes in fund balance	-	-	38,262	38,262
Fund balances, beginning of year	<u>197,916</u>	<u>197,916</u>	<u>197,916</u>	<u>-</u>
Fund balances, end of year	<u>\$ 197,916</u>	<u>\$ 197,916</u>	<u>\$ 236,178</u>	<u>\$ 38,262</u>

CITY OF DOUGLASVILLE, GEORGIA
TAX ALLOCATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	\$ 2,367,337	\$ 2,367,337	\$ 3,076,606	\$ 709,269
Interest	103,500	23,500	128,515	105,015
Total revenues	<u>2,470,837</u>	<u>2,390,837</u>	<u>3,205,121</u>	<u>814,284</u>
Expenditures:				
Current:				
General government	-	-	23,498	(23,498)
Total expenditures	<u>-</u>	<u>-</u>	<u>23,498</u>	<u>(23,498)</u>
Net changes in fund balance	2,470,837	2,390,837	3,181,623	790,786
Fund balances, beginning of year	<u>2,663,060</u>	<u>2,663,060</u>	<u>2,663,060</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,133,897</u>	<u>\$ 5,053,897</u>	<u>\$ 5,844,683</u>	<u>\$ 790,786</u>

CITY OF DOUGLASVILLE, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 33,378	\$ 33,378
Investment income	11,000	9,000	9,538	538
Total revenues	11,000	9,000	42,916	33,916
Expenditures:				
Current:				
Public safety	265,000	265,000	129,599	135,401
Total expenditures	265,000	265,000	129,599	135,401
Deficiency of revenues over expenditures	(254,000)	(256,000)	(86,683)	169,317
Other financing sources:				
Proceeds from sale of capital assets	-	-	38,500	38,500
Total other financing sources	-	-	38,500	38,500
Net changes in fund balance	(254,000)	(256,000)	(48,183)	207,817
Fund balances, beginning of year	1,756,595	1,756,595	1,756,595	-
Fund balances, end of year	<u>\$ 1,502,595</u>	<u>\$ 1,500,595</u>	<u>\$ 1,708,412</u>	<u>\$ 207,817</u>

CITY OF DOUGLASVILLE, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 3,137,623	\$ 3,145,523	\$ 3,009,041	\$ (136,482)
Investment income	31,000	8,027	23,834	15,807
Total revenues	<u>3,168,623</u>	<u>3,153,550</u>	<u>3,032,875</u>	<u>(120,675)</u>
Expenditures:				
Current:				
General government	2,600	2,600	3,750	(1,150)
Debt service:				
Principal retirement	1,949,500	1,869,500	1,860,000	9,500
Interest and fiscal charges	<u>1,216,523</u>	<u>1,281,450</u>	<u>1,267,950</u>	<u>13,500</u>
Total expenditures	<u>3,168,623</u>	<u>3,153,550</u>	<u>3,131,700</u>	<u>21,850</u>
Net changes in fund balance	-	-	(98,825)	(98,825)
Fund balances, beginning of year	<u>481,248</u>	<u>481,248</u>	<u>481,248</u>	<u>-</u>
Fund balances, end of year	<u>\$ 481,248</u>	<u>\$ 481,248</u>	<u>\$ 382,423</u>	<u>\$ (98,825)</u>

CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2016 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Percentage Complete	
Public Safety (20%)	\$ 7,500,800	\$ 8,828,079	\$ 8,657,955	\$ 170,124	\$ 8,828,079	100.00	%
Transportation and Streets (45%)	16,876,800	14,037,999	13,971,599	66,400	14,037,999	100.00	
Facility and Infrastructure Improvements (15%)	5,625,600	7,246,944	5,825,136	1,421,808	7,246,944	100.00	
Parks and Recreation (20%)	7,500,800	9,117,877	8,784,029	330,341	9,114,370	99.96	
Total 2016 Issue	<u>\$ 37,504,000</u>	<u>\$ 39,230,899</u>	<u>\$ 37,238,719</u>	<u>\$ 1,988,673</u>	<u>\$ 39,227,392</u>		

CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2022 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Percentage Complete</u>	
Public Safety (35%)	\$ 18,411,594	\$ 18,411,594	\$ -	\$ 185,709	\$ 185,709	1.01	%
Transportation and Streets (35%)	18,411,594	18,411,594	-	364,065	364,065	1.98	
Facility and Infrastructure Improvements (20%)	10,520,911	10,520,911	-	1,025,827	1,025,827	9.75	
Parks and Recreation (10%)	5,260,455	5,260,455	13,014	567,783	580,797	11.04	
Total 2022 Issue	<u>\$ 52,604,554</u>	<u>\$ 52,604,554</u>	<u>\$ 13,014</u>	<u>\$ 2,143,384</u>	<u>\$ 2,156,398</u>		

CITY OF DOUGLASVILLE, GEORGIA
BALANCE SHEET
COMPONENT UNIT - DOUGLASVILLE DEVELOPMENT AUTHORITY
JUNE 30, 2024

ASSETS

Cash and cash equivalents	\$ 579,321
Accounts receivable	455
Prepaid items	<u>3,645</u>
Total assets	<u><u>\$ 583,421</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	<u>\$ 2,122</u>
Total liabilities	<u>2,122</u>

FUND BALANCE

Fund balances:	
Nonspendable:	
Prepaid items	3,645
Unassigned	<u>577,654</u>
	<u>581,299</u>
Total liabilities and fund balance	<u><u>\$ 583,421</u></u>

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

Revenues

Charges for services	\$ 266,563
Interest income	14,167
Total revenues	<u>280,730</u>

Expenditures

Current:

Housing and development	145,455
Total expenditures	<u>145,455</u>
Net change in fund balance	135,275

Fund balances, beginning of year	<u>446,024</u>
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Fund balances, end of year	<u><u>\$ 581,299</u></u>
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STATISTICAL SECTION

STATISTICAL SECTION

(Unaudited)

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

Contents

Financial Trends

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

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

Debt Capacity

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

Demographic and Economic Information

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

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 comprehensive annual financial reports for the relevant year.

City of Douglasville, Georgia
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net Investment in capital assets	\$ 64,472,022	\$ 64,515,086	\$ 64,221,327	\$ 67,123,600	\$ 71,092,887	\$ 76,525,370	\$ 80,224,921	\$ 79,459,291	\$ 78,505,390	\$ 88,870,139
Restricted	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665	8,672,175	8,795,227	19,385,215	26,727,389
Unrestricted	(7,106,171)	(6,908,885)	(17,458,063)	(14,886,166)	(11,622,846)	(13,614,180)	(9,394,538)	(3,778,220)	2,475,102	2,314,622
Total governmental activities net position	\$ 60,588,890	\$ 61,024,979	\$ 50,421,307	\$ 58,763,278	\$ 68,153,027	\$ 71,459,855	\$ 79,502,558	\$ 84,476,298	\$ 100,365,707	\$ 117,912,150
Business-type activities										
Net Investment in capital assets	\$ 1,372,590	\$ 1,367,872	\$ 1,374,200	\$ 1,507,616	\$ 4,565,218	\$ 8,711,792	\$ 8,269,367	\$ 7,871,848	\$ 7,546,225	\$ 7,514,222
Unrestricted	3,374,718	3,978,860	4,206,517	4,349,246	3,169,371	1,605,736	2,446,450	3,822,855	5,321,511	6,730,154
Total business-type activities net position	\$ 4,747,308	\$ 5,346,732	\$ 5,580,717	\$ 5,856,862	\$ 7,734,589	\$ 10,317,528	\$ 10,715,817	\$ 11,694,703	\$ 12,867,736	\$ 14,244,376
Primary government										
Net Investment in capital assets	\$ 65,844,612	\$ 65,882,958	\$ 65,595,527	\$ 68,631,216	\$ 75,658,105	\$ 85,237,162	\$ 88,494,288	\$ 87,331,139	\$ 86,051,615	\$ 96,384,361
Restricted	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665	8,672,175	8,795,227	19,385,215	26,727,389
Unrestricted	(3,731,453)	(2,930,025)	(13,251,546)	(10,536,920)	(8,453,475)	(12,008,444)	(6,948,088)	44,635	7,796,613	9,044,776
Total primary government net position	\$ 65,336,198	\$ 66,371,711	\$ 56,002,024	\$ 64,620,140	\$ 75,887,616	\$ 81,777,383	\$ 90,218,375	\$ 96,171,001	\$ 113,233,443	\$ 132,156,526

Notes:

Restatement to 2014's ending net position as a result of implementing GASB Statement No. 68.

Restatement to 2017's ending net position as a result of implementing GASB Statement No. 75.

City of Douglasville, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities:										
General government	\$ 6,069,013	\$ 7,020,218	\$ 9,747,658	\$ 8,842,137	\$ 12,155,560	\$ 12,381,071	\$ 9,134,244	\$ 11,165,321	\$ 13,836,894	\$ 14,179,594
Judicial	746,284	824,031	789,823	684,795	750,348	797,065	1,419,298	1,478,217	1,681,637	2,073,384
Public safety	10,823,733	11,761,412	11,249,398	12,130,090	12,532,675	14,957,786	14,615,873	16,924,705	20,134,247	17,294,990
Public works	2,686,734	2,682,503	2,409,663	3,646,251	6,953,668	8,270,801	3,244,703	4,862,531	6,658,620	7,245,338
Housing and development	2,050,572	1,996,326	1,372,370	1,485,874	1,979,936	1,874,376	547,631	2,945,872	2,477,491	12,330,128
Culture and recreation	4,263,526	4,517,173	4,845,801	5,119,399	4,612,966	6,194,551	6,229,073	6,613,763	6,642,669	2,609,615
Interest on long-term debt	1,652,409	1,603,148	1,250,809	967,705	960,813	965,032	847,387	2,165,065	1,932,613	1,775,716
Total governmental activities expenses	28,292,271	30,404,811	31,665,522	32,876,251	39,945,966	45,440,682	36,038,209	46,155,474	53,364,171	57,508,765
Business-type activities:										
Sanitation	3,375,445	3,317,568	3,695,797	4,013,420	4,758,192	4,695,904	4,817,512	5,316,257	5,636,357	6,626,791
Total business-type activities expenses	3,375,445	3,317,568	3,695,797	4,013,420	4,758,192	4,695,904	4,817,512	5,316,257	5,636,357	6,626,791
Total primary government expenses	\$ 31,667,716	\$ 33,722,379	\$ 35,361,319	\$ 36,889,671	\$ 44,704,158	\$ 50,136,586	\$ 40,855,721	\$ 51,471,731	\$ 59,000,528	\$ 64,135,556
Program Revenues										
Governmental Activities:										
Charges for service:										
General government	\$ 2,413,872	\$ 2,434,206	\$ 2,944,164	\$ 3,794,094	\$ 3,901,502	\$ 3,990,452	\$ 4,174,343	\$ 5,906,624	\$ 4,829,412	\$ 4,773,375
Housing and development	557,320	439,654	765,360	226,426	267,579	198,264	152,579	339,214	430,119	878,297
Judicial	2,216,583	1,274,224	1,570,466	1,877,717	1,873,705	1,159,756	1,657,485	1,906,279	3,334,912	4,010,091
Public safety	317,080	362,911	473,587	532,349	377,214	532,917	288,427	185,355	267,206	301,717
Public works	-	17,750	-	-	-	-	-	-	-	-
Culture and recreation	1,443,399	1,550,758	1,101,870	977,333	1,219,544	1,015,228	1,131,920	1,641,721	1,840,172	2,053,874
Operating grants and contributions	1,002,645	300,897	529,559	489,644	489,693	366,671	2,359,595	975,095	3,726,306	1,965,187
Capital grants and contributions	544,223	233,612	1,277,414	7,194,611	11,132,780	10,333,367	1,870,378	5,575,596	12,857,600	11,294,056
Total governmental activities program revenues	8,495,122	6,614,012	8,662,420	15,092,174	19,262,017	17,596,655	11,634,727	16,529,884	27,285,727	25,276,597
Business-type activities:										
Charges for services:										
Sanitation	3,911,692	3,999,390	4,023,039	4,560,797	4,603,302	4,683,009	5,347,378	6,312,906	6,640,007	7,085,367
Capital grants and contributions	-	-	-	-	3,351,119	4,271,118	-	-	-	562,591
Total business-type activities program revenues	3,911,692	3,999,390	4,023,039	4,560,797	7,954,421	8,954,127	5,347,378	6,312,906	6,640,007	7,647,958
Total primary government program revenues	\$ 12,406,814	\$ 10,613,402	\$ 12,685,459	\$ 19,652,971	\$ 27,216,438	\$ 26,550,782	\$ 16,982,105	\$ 22,842,790	\$ 33,925,734	\$ 32,924,555

City of Douglasville, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	\$ (19,797,149)	\$ (23,790,799)	\$ (23,003,102)	\$ (17,784,077)	\$ (20,683,949)	\$ (27,844,027)	\$ (24,403,482)	\$ (29,625,590)	\$ (26,078,444)	\$ (32,232,168)
Business-type activities	536,247	681,822	327,242	547,377	3,196,229	4,258,223	529,866	996,649	1,003,650	1,021,167
Total primary government net expense	<u>\$ (19,260,902)</u>	<u>\$ (23,108,977)</u>	<u>\$ (22,675,860)</u>	<u>\$ (17,236,700)</u>	<u>\$ (17,487,720)</u>	<u>\$ (23,585,804)</u>	<u>\$ (23,873,616)</u>	<u>\$ (28,628,941)</u>	<u>\$ (25,074,794)</u>	<u>\$ (31,211,001)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 7,943,693	\$ 9,922,506	\$ 10,300,396	\$ 11,026,570	\$ 12,612,306	\$ 13,125,830	\$ 14,485,665	\$ 15,190,285	\$ 18,722,171	\$ 24,690,842
Sales taxes	6,048,402	6,204,621	6,281,217	6,971,616	7,718,366	8,082,143	8,804,764	10,066,787	10,393,627	10,645,721
Other taxes and miscellaneous	6,948,787	7,897,884	7,348,719	7,645,137	7,920,208	7,847,344	8,388,279	9,188,831	9,934,824	10,299,535
Unrestricted investment earnings	27,105	30,854	44,327	153,883	368,044	320,383	227,672	206,767	2,848,223	4,029,430
Gain on sale of capital assets	-	71,023	-	25,107	27,630	-	221,003	-	69,008	113,083
Transfers	115,000	100,000	100,000	303,735	1,427,144	1,766,161	159,725	105,737	-	-
Total governmental activities	<u>\$ 21,082,987</u>	<u>\$ 24,226,888</u>	<u>\$ 24,074,659</u>	<u>\$ 26,126,048</u>	<u>\$ 30,073,698</u>	<u>\$ 31,141,861</u>	<u>\$ 32,287,108</u>	<u>\$ 34,758,407</u>	<u>\$ 41,967,853</u>	<u>\$ 49,778,611</u>
Business-type activities										
Investment earnings	\$ 238	\$ 2,257	\$ 6,743	\$ 26,202	\$ 108,642	\$ 90,877	\$ 1,897	\$ 7,974	\$ 169,383	\$ 323,944
Gain on sale of capital assets	72,239	15,345	-	6,301	-	-	26,251	80,000	-	31,529
Transfers	(115,000)	(100,000)	(100,000)	(303,735)	(1,427,144)	(1,766,161)	(159,725)	(105,737)	-	-
Total business-type activities	<u>(42,523)</u>	<u>(82,398)</u>	<u>(93,257)</u>	<u>(271,232)</u>	<u>(1,318,502)</u>	<u>(1,675,284)</u>	<u>(131,577)</u>	<u>(17,763)</u>	<u>169,383</u>	<u>355,473</u>
Total primary government	<u>\$ 21,040,464</u>	<u>\$ 24,144,490</u>	<u>\$ 23,981,402</u>	<u>\$ 25,854,816</u>	<u>\$ 28,755,196</u>	<u>\$ 29,466,577</u>	<u>\$ 32,155,531</u>	<u>\$ 34,740,644</u>	<u>\$ 42,137,236</u>	<u>\$ 50,134,084</u>
Change in Net Position										
Governmental activities	\$ 1,285,838	\$ 436,089	\$ 1,071,557	\$ 8,341,971	\$ 9,389,749	\$ 3,297,834	\$ 7,883,626	\$ 5,132,817	\$ 15,889,409	\$ 17,546,443
Business-type activities	493,724	599,424	233,985	276,145	1,877,727	2,582,939	398,289	978,886	1,173,033	1,376,640
Total primary government	<u>\$ 1,779,562</u>	<u>\$ 1,035,513</u>	<u>\$ 1,305,542</u>	<u>\$ 8,618,116</u>	<u>\$ 11,267,476</u>	<u>\$ 5,880,773</u>	<u>\$ 8,281,915</u>	<u>\$ 6,111,703</u>	<u>\$ 17,062,442</u>	<u>\$ 18,923,083</u>

Note: FY2017 has been restated and the effect of implementing GASBs No. 68 and 75 to previously reported changes in net position has not been determined.

City of Douglasville, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nondisposable	\$ 522,637	\$ 176,909	\$ 697,430	\$ 640,857	\$ 575,973	\$ 609,281	\$ 460,299	\$ 737,376	\$ 986,947	\$ 1,175,128
Assigned	104,849	-	518,159	1,687,713	2,598,191	2,016,880	3,036,769	2,443,386	1,074,038	2,723,946
Unassigned	6,097,136	8,658,815	10,096,493	12,185,372	14,487,097	15,357,559	21,001,555	25,983,366	30,006,156	33,565,697
Total general fund	\$ 6,724,622	\$ 8,835,724	\$ 11,312,082	\$ 14,513,942	\$ 17,661,261	\$ 17,983,720	\$ 24,498,623	\$ 29,164,128	\$ 32,067,141	\$ 37,464,771
All Other Governmental Funds										
Nondisposable	\$ 6,759	\$ 726	\$ 75,972	\$ 74,589	\$ 49,137	\$ 39,491	\$ 2,630	\$ 118,799	\$ 13,446	\$ 55,514
Restricted	3,216,280	3,418,052	3,956,270	6,904,212	9,061,573	8,908,342	9,040,695	46,218,559	40,059,158	35,478,741
Committed	-	-	-	-	-	-	-	-	130,069	-
Unassigned	(1,073,220)	(1,073,220)	(715,924)	(361,389)	-	-	-	-	-	-
Total all other governmental funds	\$ 2,149,819	\$ 2,345,558	\$ 3,316,318	\$ 6,617,412	\$ 9,110,710	\$ 8,947,833	\$ 9,043,325	\$ 46,337,358	\$ 40,202,673	\$ 35,534,255

City of Douglasville, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 20,692,270	\$ 23,692,430	\$ 23,957,036	\$ 25,578,276	\$ 28,209,926	\$ 28,744,291	\$ 31,389,390	\$ 34,182,159	\$ 38,428,820	\$ 45,106,804
Licenses and permits	2,435,307	2,280,227	2,801,140	3,156,667	3,232,355	3,400,336	3,613,465	5,042,535	3,562,074	4,566,765
Intergovernmental	653,037	491,732	1,563,539	8,085,336	11,632,635	10,983,223	4,375,710	7,037,058	16,906,036	12,979,580
Fines and forfeitures	2,310,910	1,936,467	1,801,475	1,923,209	1,914,322	1,707,961	2,140,840	1,919,730	2,622,914	3,673,608
Charges for service	1,875,617	2,006,316	1,805,462	1,618,886	1,934,033	1,570,287	1,418,404	2,112,645	2,458,210	3,175,388
Interest Income	24,928	33,354	59,825	159,939	396,363	347,592	244,542	209,810	3,018,795	4,264,093
Other Revenues	677,521	724,008	788,990	485,665	661,581	576,392	764,725	630,472	1,298,567	683,438
Total revenues	28,669,590	31,164,534	32,777,467	41,007,978	47,981,215	47,330,082	43,947,076	51,134,409	68,295,416	74,449,676
Expenditures										
General government	5,579,408	6,786,783	7,099,575	8,504,662	12,692,624	9,953,363	8,495,496	10,496,178	12,891,963	14,088,598
Judicial	693,350	767,006	798,380	664,316	748,965	759,475	1,352,124	1,463,838	1,648,560	2,114,071
Public safety	9,641,067	10,470,274	10,522,209	10,720,402	11,832,548	12,826,208	12,294,473	15,564,022	18,320,477	16,088,364
Public works	1,694,505	1,911,541	1,766,111	2,973,074	6,584,228	7,401,349	2,362,105	3,927,290	5,716,702	6,316,104
Culture and recreation	3,812,069	4,261,087	3,866,921	3,960,766	5,427,391	4,794,840	5,836,521	6,197,168	8,501,330	10,548,182
Housing and development	1,889,726	1,203,446	1,755,616	2,180,607	1,838,037	1,644,433	1,287,522	2,645,603	2,026,211	1,995,946
Capital outlay	172,828	114,672	-	2,467,516	1,057,952	9,177,724	2,399,827	6,747,538	16,597,115	16,674,873
Debt service										
Principal	2,011,508	2,090,263	2,166,042	2,276,805	2,397,218	2,781,109	2,655,273	1,105,508	4,113,630	3,877,571
Interest	1,735,405	1,670,103	1,458,783	1,179,759	1,223,779	1,167,970	1,087,171	2,868,689	2,180,038	2,190,444
Bond Issuance Cost	-	-	207,594	173,589	-	-	-	822,723	5,000	-
Total expenditures	27,229,866	29,275,175	29,641,231	35,101,496	43,802,742	50,506,471	37,770,512	51,838,557	72,001,026	73,894,153
Excess of revenues over (under) expenditures	1,439,724	1,889,359	3,136,236	5,906,482	4,178,473	(3,176,389)	6,176,564	(704,148)	(3,705,610)	555,523
Other Financing Sources (Uses)										
Transfers in	2,953,188	3,140,934	1,327,110	1,547,418	3,237,807	5,108,425	1,750,819	518,845	268,489	741,500
Transfers out	(2,838,188)	(3,040,934)	(1,227,110)	(1,243,683)	(1,810,663)	(2,939,304)	(1,591,094)	(413,108)	(268,489)	(741,500)
Insurance Recoveries	-	-	-	-	-	-	-	36,860,000	-	-
Bonds issued	-	-	13,600,000	9,480,000	-	-	-	4,223,723	-	-
Premium on bonds issued	-	-	1,679,464	979,522	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(15,072,082)	(10,286,145)	-	-	-	-	-	-
Long Term Debt Issued	-	-	-	-	-	1,166,350	-	1,418,880	393,942	-
Sale of capital assets	-	317,482	3,500	119,360	35,000	500	274,106	55,346	79,996	173,689
Total other financing sources (uses)	115,000	417,482	310,882	596,472	1,462,144	3,335,971	433,831	42,663,686	473,938	173,689
Net change in fund balances	\$ 1,554,724	\$ 2,306,841	\$ 3,447,118	\$ 6,502,954	\$ 5,640,617	\$ 159,582	\$ 6,610,395	\$ 41,959,538	\$ (3,231,672)	\$ 729,212
Debt service as a percentage of noncapital expenditures	14%	13%	13%	11%	9%	9%	12%	9%	12%	8%

City of Douglasville, Georgia

Tax Revenue by Source, Governmental Funds Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Excise Tax	Franchise Tax	Insurance Premium Tax	Hotel/ Motel Car Rental	Other	Total
2015	\$ 7,915,893	\$ 6,048,402	\$ 1,003,239	\$ 2,211,816	\$ 1,669,605	\$ 1,791,318	\$ 51,997	\$ 20,692,270
2016	9,855,187	6,159,621	1,009,969	2,836,620	1,783,698	1,970,096	77,238	23,692,429
2017	10,285,412	6,281,217	1,006,718	2,422,009	1,932,092	1,930,978	98,610	23,957,036
2018	10,955,642	6,756,996	1,078,828	2,424,509	2,057,499	2,192,676	112,126	25,578,276
2019	12,514,156	7,506,899	1,114,355	2,596,920	2,218,053	2,123,558	135,985	28,209,926
2020	12,966,633	7,889,488	1,127,396	2,622,637	2,357,132	1,670,398	110,607	28,744,291
2021	14,312,831	10,197,264	1,426,806	2,594,381	2,441,790	1,976,252	161,555	33,110,879
2022	15,090,537	10,066,787	1,311,665	2,690,488	2,479,272	2,398,969	144,441	34,182,159
2023	18,486,122	10,107,647	1,305,494	2,804,274	2,913,966	2,698,935	112,382	38,428,820
2024	24,321,638	10,368,056	1,246,669	2,942,262	3,073,969	2,907,594	246,616	45,106,804

City of Douglasville, Georgia

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes Heavy Equipment	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2015	2014	\$ 845,498,290	\$ 147,369,572	\$ 13,020,716	\$ 46,858,796	\$ (32,694,757)	\$ 1,020,052,617	7.454	\$ 2,550,131,543	40.00
2016	2015	887,125,894	174,819,620	15,610,515	33,682,970	(40,551,254)	1,070,687,745	8.954	2,676,719,363	40.00
2017	2016	947,207,458	188,873,041	14,673,241	23,900,314	(46,625,780)	1,128,028,274	8.437	2,820,070,685	40.00
2018	2017	998,735,137	214,933,082	15,656,810	18,059,341	(42,973,923)	1,204,410,447	8.261	3,011,026,118	40.00
2019	2018	1,150,783,616	243,299,200	16,396,689	13,639,527	(57,923,333)	1,366,195,699	8.451	3,415,489,248	40.00
2020	2019	1,238,226,353	291,846,648	20,074,485	10,772,368	(88,773,912)	1,472,145,942	8.331	3,680,364,855	40.00
2021	2020	1,423,683,695	274,949,099	20,074,485	11,302,693	(83,114,586)	1,646,895,386	8.279	4,117,238,465	40.00
2022	2021	1,421,062,404	324,575,578	21,823,607	7,554,911	(24,875,322)	1,750,141,178	8.111	4,375,352,945	40.00
2023	2022	1,940,056,232	364,625,442	22,625,457	6,283,408	(140,649,990)	2,192,940,549	8.003	5,482,351,373	40.00
2024	2023	2,251,156,831	409,716,279	13,300,494	6,087,472	(171,127,687)	2,509,133,389	9.011	6,272,833,473	40.00

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

* Bond Millage added

City of Douglasville, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Tax Year	Direct Rates		Total Direct	Overlapping Rates				Total Direct and Overlapping Rates
	City of Douglasville	Bond City of Douglasville		Douglas County	Douglas County Board of Education	Bond Douglas County Board of Education	State of Georgia	
2015	7.338	1.616	8.954	11.809	21.100		0.050	41.913
2016	6.911	1.526	8.437	11.267	21.000		0.050	40.754
2017	6.911	1.350	8.261	10.768	20.950		0.000	39.979
2018	7.211	1.240	8.451	10.213	20.900		0.000	39.564
2019	7.211	1.120	8.331	10.213	19.700		0.000	38.244
2020	7.211	1.068	8.279	12.563	19.600	1.000	0.000	41.442
2021	7.211	0.900	8.111	12.563	19.550	0.500	0.000	40.724
2022	7.211	0.792	8.003	12.563	19.500	1.000	0.000	41.066
2023	7.711	1.300	9.011	12.313	18.990	0.500	0.000	40.814
2024	8.749	1.350	10.099	12.313	18.900	0.500	0.000	41.812

Source: Georgia Department of Revenue

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Douglasville.

City of Douglasville, Georgia

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years

Fiscal Year	City of Douglasville/ Douglas County/BOE	SPLOST Sales Tax	State of Georgia Sales Tax	Total Direct and Overlapping Rates
2015	2.00	1.00	4.00	7.00
2016	2.00	1.00	4.00	7.00
2017	2.00	1.00	4.00	7.00
2018	2.00	1.00	4.00	7.00
2019	2.00	1.00	4.00	7.00
2020	2.00	1.00	4.00	7.00
2021	2.00	1.00	4.00	7.00
2022	2.00	1.00	4.00	7.00
2023	2.00	1.00	4.00	7.00
2024	2.00	1.00	4.00	7.00

Source: Georgia Department of Revenue

City of Douglasville, Georgia
Sales and Use Tax Revenues by Category
Last Ten Years
(In Thousands of Dollars)

Category	2015	2016	2017	2018	2019	2020	2021	2022 (1)	2023 (2)	2024 (3)
Accommodations	\$ 289,916	\$ 311,047	\$ 324,023	\$ 383,109	\$ 382,805	\$ 274,440	\$ 391,653	\$ 350,456	\$ 343,543	\$ 348,077
Automotive	732,343	785,155	746,299	757,758	753,157	899,744	1,062,379	832,482	887,171	845,355
Construction	230,438	189,842	155,212	268,014	217,734	191,920	269,048	250,491	291,514	452,255
Food/Bars	4,515,450	4,734,483	4,764,124	4,636,837	4,889,394	5,222,073	5,641,776	4,371,025	4,618,382	4,613,479
General Merchandise	4,164,612	3,861,740	3,938,706	3,966,830	4,476,581	6,068,552	5,169,203	3,980,116	3,926,845	3,878,034
Home Furnishing	1,992,955	2,221,464	2,044,811	1,975,474	1,960,083	2,038,744	2,488,949	2,168,462	1,714,583	1,920,281
Manufacturing	1,180,927	1,314,683	1,112,913	1,403,981	1,361,828	1,166,020	1,423,689	1,568,030	1,777,860	1,586,734
Misc Service	2,353,688	2,525,176	2,258,121	2,473,394	2,519,057	2,650,589	3,185,592	2,914,186	3,130,793	3,298,012
Other Retail	3,138,120	3,177,548	3,046,707	3,741,918	3,881,439	4,426,081	5,374,780	4,340,999	4,657,317	4,819,203
Other Service	633,729	651,344	792,409	1,393,981	1,444,170	1,509,504	1,785,437	1,500,566	2,017,556	3,874,310
Utility	1,570,595	1,468,460	1,407,637	1,553,798	1,655,432	1,539,234	1,597,746	1,327,352	1,425,146	1,723,151
Wholesale	2,983,190	2,416,181	2,420,912	2,778,984	3,103,178	2,553,960	3,358,259	3,335,530	3,633,394	4,049,373
Total	\$ 23,785,963	\$ 23,657,123	\$ 23,011,874	\$ 25,334,078	\$ 26,644,858	\$ 28,540,861	\$ 31,748,511	\$ 26,939,695	\$ 28,424,104	\$ 31,408,264

Sales Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
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Note: Information above specific to the Douglas County and not the City of Douglasville.

Source: Georgia Department of Revenue Sales Tax Commodity Report

Note: Sales Tax Rate for Local Option sales tax (1%) and ELOST (1%)

(1) Through September 2022

(2) Through September 2023

(3) Through September 2024

City of Douglasville, Georgia
Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	2024			2015		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
McMaster-Carr Supply Company	\$ 89,699,045	1	5.13%			
Gordon Food Services, Inc.	19,510,841	2	1.11%			
RTP Preserve, LLC	19,064,082	3	1.09%			
Mount Vernon Fee Commer , LLC	18,425,560	4	1.05%			
Tributary Village, LLC	18,314,240	5	1.05%			
AC-LMC Riverside Property Owner, LLC	18,240,000	6	1.04%			
G&I X One Rocky Ridge, LLC	17,798,575	7	1.02%			
IP Brodick Owner, LLC	16,828,480	8	0.96%			
MRE Propco, LP	16,000,000	9	0.91%			
Development Authority of the City of Douglasville	15,441,344	10	0.88%			
Arbor Place II, LLC				\$ 13,122,040	1	1.27%
MedLine Industries, Inc.*				17,300,212	2	1.68%
DDRTC Douglasville Pavilion, LLC				8,782,320	3	0.85%
Trikell, LLC				8,599,658	4	0.84%
Centerpoint Properties Trust				8,117,680	5	0.79%
Prologis TLF				7,809,920	6	0.76%
Carlyle Centennial Lenox, LP				7,647,280	7	0.74%
CAM Crestmark, LLC				7,415,184	8	0.72%
Villas at West Ridge				7,040,000	9	0.68%
MedLine Industries Phase II*				58,984,704	10	5.73%
Total	<u>\$ 249,322,167</u>		<u>14.25%</u>	<u>\$ 144,818,998</u>		<u>14.07%</u>

Source: Douglas County Tax\Commissioner's Office

Total Gross City Tax Digest

*Although Medline has a higher property value, the tax abatement offered decreases the taxable amount and decreases the tax amount due.

City of Douglasville, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended 30-Jun	Tax Year	Taxes Levied for the 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
2015	2014	\$ 7,316,371	\$ 7,158,035	97.84%	\$ 158,012	\$ 7,316,047	100.00%
2016	2015	9,359,932	9,117,159	97.41%	242,362	9,359,521	100.00%
2017	2016	9,395,185	9,298,745	98.97%	100,564	9,399,309	100.04%
2018	2017	9,866,902	9,856,186	99.89%	10,716	9,866,902	100.00%
2019	2018	9,678,671	9,571,241	98.89%	107,430	9,678,671	100.00%
2020	2019	10,615,239	10,296,186	96.99%	319,053	10,615,239	100.00%
2021	2020	11,181,168	10,973,656	98.14%	207,512	11,181,168	100.00%
2022	2021	11,890,748	11,676,192	98.20%	132,060	11,808,252	99.31%
2023	2022	14,771,351	13,496,534	91.37%	445,983	13,942,517	94.39%
2024	2023	16,904,185	16,899,476	99.97%	-	16,899,476	99.97%

Sources: City of Douglasville Finance Department

Note: The taxes levied in this table consist of M&O only. No debt service tax levies are included.
Fiscal Year 2019 misstated in previous statement and updated to reflect accurate reporting.

City of Douglasville, Georgia

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Total Primary Government	Percentage of Personal Income ²	Per Capita	Population
	Note Payable	Financed Purchases	Lease Liabilities	Subscription Liabilities	Revenue Bonds	GO Bonds				
2015	\$ -	\$ 1,253,449	\$ -	\$ -	\$ 21,243,243	\$ 17,980,000	\$ 40,476,692	0.000173%	1,268	31,917
2016	-	999,626	-	-	20,376,802	17,010,000	38,386,428	0.000154%	1,188	32,317
2017	-	735,203	-	-	19,943,116	17,359,448	38,037,767	0.000141%	1,161	32,768
2018	-	499,836	-	-	19,747,553	16,099,826	36,347,215	0.000125%	1,094	33,210
2019	-	254,822	-	-	18,562,549	14,798,482	33,615,853	0.000108%	1,017	33,052
2020	496,652	421,816	-	-	17,356,467	13,422,837	31,697,772	0.000088%	915	34,650
2021	403,868	215,267	-	-	16,113,079	12,027,898	28,760,112	0.000072%	809	35,561
2022	300,571	432,377	-	-	32,789,664	33,734,058	67,256,670	0.000150%	1,908	35,252
2023	185,570	-	312,073	327,912	28,675,692	34,519,721	64,020,968	0.000126%	1,687	37,948
2024	57,538	-	187,904	169,914	26,892,296	32,327,020	59,634,672	0.000106%	1,527	39,049

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

Source: Debt Schedule Finance Department

Source: Schedule of Demographic and Economic Statistics for personal income and population data.

City of Douglasville, Georgia

Ratios of General Bonded Debt Outstanding (Unaudited) Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for GO Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita	Population
2015	\$ 17,980,000	\$ -	\$ 17,980,000	1.76%	563	31,917
2016	17,010,000	-	17,010,000	1.59%	526	32,317
2017	17,359,448	276,144	17,083,304	1.51%	521	32,768
2018	16,099,826	91,692	16,008,134	1.33%	482	33,210
2019	14,798,482	-	14,798,482	1.08%	448	33,052
2020	13,422,837	-	13,422,837	0.91%	387	34,650
2021	12,027,898	-	12,027,898	0.73%	338	35,561
2022	33,099,136	-	33,099,136	1.89%	872	37,948
2023	31,657,570	-	31,657,570	1.44%	834	37,948
2024	32,327,020	-	32,327,020	1.29%	828	39,049

Note 1: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Note 2: Amounts shown above as restricted for GO Debt Service are amounts reported as restricted in the Statement of Net Position as these amounts represent the remainder of the restricted fund balance from the Debt Service Fund minus accrued interest payable and are considered to represent the amount available to pay principal on the City's outstanding bonds.

Source: Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Schedule of Assessed Value for estimated actual taxable value.

City of Douglasville, Georgia

Direct and Overlapping Governmental Activities Debt For the Fiscal Year Ended June 30, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct General Obligation Debt			
Lease and subscription liabilities	\$ 357,818	100.00%	\$ 357,818
Bonds	59,219,316	100.00%	59,219,316
Note Payable	57,538	100.00%	57,538
	<u>\$ 59,634,672</u>		<u>\$ 59,634,672</u>
Overlapping General Obligation Debt			
Douglas County (1)			
Capital Lease	\$ 2,218,549		\$ -
Total	<u>\$ 2,218,549</u>	28.27%	<u>\$ 627,171</u>
Douglas County School District			
Bonds	\$ 66,846,000		\$ -
	<u>\$ 66,846,000</u>	29.09%	<u>\$ 19,445,466</u>
	<u>\$ 69,064,549</u>		<u>\$ 20,072,637</u>

The percentage of overlapping debt applicable is estimated using taxable assessed property values. The overlapping debt outstanding from other entities above has been taken from the most recent available audited financial statements for the Douglas County School District and Douglas County, Georgia, as applicable.

(1) Source Douglas County 2022 Annual Comprehensive Financial Report. 2023 reports not yet available.

City of Douglasville, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 105,274,737	\$ 111,123,900	\$ 117,465,405	\$ 124,792,437	\$ 142,411,903	\$ 155,838,277	\$ 163,334,829	\$ 177,501,650	\$ 233,359,054	\$ 268,026,108
Total net debt applicable to limit	17,980,000	17,010,000	17,359,448	16,099,826	14,798,482	13,422,837	12,027,898	33,099,136	37,255,060	32,327,020
Legal debt margin	\$ 87,294,737	\$ 94,113,900	\$ 100,105,957	\$ 108,692,611	\$ 127,613,421	\$ 142,415,440	\$ 151,306,931	\$ 144,402,514	\$ 196,103,994	\$ 235,699,088
Total net debt applicable to the limit as a percentage of debt limit	17.08%	15.31%	14.78%	12.90%	10.39%	8.61%	7.36%	18.65%	15.96%	12.06%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	\$ 2,509,133,389
Add back exempt real property	171,127,687
Total assessed value	2,680,261,076
Debt limit (10% of total assessed value)	268,026,108
Debt applicable to limit:	
General obligation bonds	32,327,020
Legal debt margin	\$ 235,699,088

Source: Schedule of Assessed Value for assessed value.

Source: Ratios of General Bonded Debt

City of Douglasville, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population¹	Personal Income	Per Capita Personal Income¹	Median Age¹	County School Enrollment	School Enrollment¹	Unemployment Rate¹
2015	31,917	\$ 734,378,253	\$ 23,009	34.0	25,668	9,569	11.60%
2016	32,317	772,893,372	23,916	33.6	25,668	10,069	11.40%
2017	32,768	820,805,632	25,049	33.9	28,820	9,715	11.10%
2018	33,210	872,360,280	26,268	34.7	25,483	9,698	9.20%
2019	33,052	941,320,960	28,480	34.9	26,000	8,865	8.80%
2020	34,650	1,038,807,000	29,980	36.7	25,770	9,864	8.10%
2021	35,561	1,121,985,111	31,551	36.4	26,668	9,684	6.40%
2022	35,252	1,271,786,404	36,077	36.5	26,459	9,684 (2)	5.50%
2023	36,284	1,342,326,580	36,995	36.6	25,836	9,684 (2)	5.90%
2024	39,049 (2)	1,444,617,755 (3)	36,995 (3)	37.2 (2)	25,664	3,758	5.90% (3)

Data sources

¹United States Census Bureau

²Current year data is not available at time of publication. ACS Supplemental data estimates (as of July 1, 2023) are used.

³Current year data is not available at time of publication. Prior year data (2023) is used.

Note: School enrollment from Douglas County, Email Portia Lake (DCSD PIO)
Unemployment Rate for Metro Atlanta area DOL

City of Douglasville, Georgia

Principal Employers Current Year and Ten Years Ago

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
American Red Cross	732	1	3.86%	500	3	2.31%
Home Chef	729	2	3.84%			
Intelligrated Systems, LLC	665	3	3.51%			
Medline Medical Ind., Inc.	495	4	2.61%	345	4	1.28%
Resia Construction, LLC	450	5	2.37%			
Baldwin Paving Co., Inc.	435	6	2.29%			
Kehe Distributors, LLC	419	7	2.21%			
Walmart Super Center	289	8	1.52%	750	2	4.53%
TDR Contractors, Inc.	300	9	1.58%			
Amazon.com Services, LLC	299	10	1.58%			
Wellstar Douglas Hospital				834	1	3.34%
Google				300	5	1.54%
Benton Georgia				258	6	1.33%
Staples Customer Center				246	7	1.26%
Sams Club				225	8	1.16%
A.L.P. Lighting Components				100	9	0.51%
Cahaba Healthcare				100	10	0.51%
Total	4,813		25.39%	2,813		14.18%

Source: Finance Occupational Tax Returns

City of Douglasville, Georgia

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Government:										
Governing Body	8	8	8	8	8	8	8	8	8	8
Chief Executive (Mgr. Or Admin.)	5	4	7	9	8	9	8	6	9	8
IT/MIS	3	3	3	3	3	3	3	2	4	5
Police Records and Court	9	9	13	12	13	24	25	24	14	34
Financial Administration	7	7	7	7	10	8	9	12	12	13
General Govt. Bldgs. and Plant	1	1	3	5	5	7	8	6	8	8
Human Resources	3	4	5	5	5	4	5	14	8	9
Public Safety:										
Police Administration	8	9	10	18	7	9	9	8	8	8
Police - IT	2	2	2	2	2	3	3	3	4	4
Police Detective	19	15	17	18	18	17	19	16	16	17
Police Special OPS	8	6	4	3	5	5	5	5	5	5
Police Patrol	62	55	57	53	64	56	55	58	57	54
Police Motors	5	3	2	3	5	5	5	4	4	5
Police Training	10	5	3	3	3	3	3	3	3	3
Police SRO	4	4	6	7	6	-	-	-	-	-
Police Building Maintenance	1	1	1	1	1	1	1	2	2	2
Building Inspections	4	4	4	5	5	2	4	7	9	7
Code Enforcement	4	4	5	4	4	4	5	5	5	2
Planning and Zoning	3	3	3	2	3	4	5	2	2	1
Engineering	-	-	-	-	-	1	1	3	4	5
Economic Development	-	-	-	-	-	-	-	-	-	2
Community Development	4	3	3	2	3	3	3	3	2	3
Tourism	4	3	2	2	2	2	2	3	3	3
Culture/Recreation Administration	8	8	6	6	17	17	20	33	48	45
Conference Center	6	6	6	3	9	3	4	3	4	5
West Pines Golf	11	8	9	8	13	25	17	20	30	20
Parks Areas	9	7	11	9	9	7	7	11	11	23
Highways and Streets Admin.	16	15	13	16	16	15	16	16	19	19
Sanitary Administration	26	21	23	20	30	22	24	16	20	22
Maintenance and Shop	2	2	2	2	2	2	3	2	2	2
Video Production	4	4	4	4	4	6	8	7	9	9
Keep Douglasville Beautiful	4	4	4	4	4	2	3	2	2	2
Total	260	228	243	244	284	277	288	304	332	353

Source: City of Douglasville Human Resources Dept

City of Douglasville, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public Works:										
Street resurfacing (feet)	69,696	9,979	7,723	53,559	50,283	106,647	-	34,222	13,750	27,508
Planning and Zoning:										
Building permits issued	157	192	323	267	366	334	391	446	972	398
Permits issued (excl. sign)					1,563	1,590	1,475	1,312	355	1,318
Police protection*:										
Number of citations written	8,779	10,088	7,760	10,256	9,869	5,973	5,373	5,942	8,435	11,686
Number of automobile accidents	2,684	3,029	2,991	3,033	2,948	2,485	2,764	2,786	2,026	2,557
Number of reported crimes	4,941	5,515	5,403	5,969	5,337	4,734	4,344	4,418	4,205	4,443
Sanitation**:										
Large items pickup	141	183	148	74	117	140	285	172	284	402

Sources:

*City of Douglasville Courts and Records

** City Sanitation Department

Note:

Total permits issued data is not available prior to fiscal year 2019.

City of Douglasville, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public works:										
Miles of streets	150.67	150.67	150.67	150.67	150.67	150.67	150.67	140.00	140.00	141.14
Number of street lights	2,293	2,293	2,574	2,511	2,518	2,518	2,518	1,100	1,100	1,300
Police protection:										
Number of stations	2	2	2	2	2	2	2	2	1	1
Number of police officers positions	97	97	102	117	101	112	113	115	101	100
Recreation and culture:										
Number of parks	8	8	8	8	8	8	8	8	8	8
Park acreage	381	381	381	381	381	381	381	381	381	297.61

Sources: Various city departments.

COMPLIANCE SECTION

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

**Honorable Mayor and Members
Of City Council
City of Douglasville, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Douglasville, Georgia (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 3, 2025. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, as of July 1, 2023.

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

Atlanta, Georgia
January 3, 2025



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

**Honorable Mayor and Members
Of City Council
City of Douglasville, Georgia**

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited the City of Douglasville, 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 the City's major federal program for the year ended June 30, 2024. The City's major federal program is 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 its major federal program for the year ended June 30, 2024.

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 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 the 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 above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
January 3, 2025

CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Agency or Pass-Through Grantor Number	Total Expenditures
U.S. DEPARTMENT OF JUSTICE			
Direct Awards			
Bulletproof Vest Partnership Program	16.607	2021BUBX21028775	\$ 22,235
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-23-GG-03325-JAGX	19,643
Equitable Sharing Program	16.922	GA0480100	8,194
Total U.S. Department of Justice			<u>50,072</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Georgia Department of Transportation			
Highway Planning and Construction	20.205	PI#0017811	171,296
Total Highway Planning and Construction			<u>171,296</u>
Highway Safety Cluster			
State and Community Highway Safety	20.600	TEN-2024-DOUGLASVIL-00016-C	19,985
Total Highway Safety Cluster			<u>19,985</u>
Total U.S. Department of Transportation			<u>191,281</u>
U.S. DEPARTMENT OF THE TREASURY			
Passed Through Georgia Office of Planning and Budget			
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	GA-0004910	2,061,904
Total U.S. Department of the Treasury			<u>2,061,904</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,303,257</u></u>

See accompanying notes to schedule of expenditures of federal awards

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

(1) Summary of Significant Accounting Policies

Basis of Presentation and Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred.

In instances where the grant agreement requires the City to match grant awards with City funds, such matching funds are excluded from the accompanying schedule of expenditures of federal awards.

Federal grant programs that are administered through State agencies (pass-through awards) have been included in the accompanying schedule of expenditures of federal awards. These programs are operated according to federal regulations promulgated by the originating federal agency providing the funding.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *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.

The City does not utilize the 10% de minimis indirect cost rate.

**CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

**SECTION I
SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

_____ yes X no

Significant deficiencies identified

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards

Internal control over major program:

Material weaknesses identified?

_____ yes X no

Significant deficiencies identified

_____ yes X none reported

Type of auditor's report issued on compliance for major program:

Unmodified

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

_____ yes X no

Identification of major program:

Federal Assistance Listing Number
21.027

Name of Federal Program or Cluster
COVID-19 - Coronavirus State and Local Fiscal
Recovery Funds

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

\$750,000

Auditee qualified as low-risk auditee?

Yes

**CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**SECTION II
FINANCIAL STATEMENT FINDINGS**

None Reported

**CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

None Reported