



Annual Financial Report

*For Fiscal Year
Ending June 30, 2023*



CITY OF LOGANVILLE, GEORGIA

**FINANCIAL STATEMENTS AS OF
JUNE 30, 2023 AND
INDEPENDENT AUDITOR'S REPORT**

CITY OF LOGANVILLE, GEORGIA

TABLE OF CONTENTS

Independent Auditor's Report	1
Management's Discussion and Analysis	4
Financial Statements	
<i>Government-Wide Financial Statements</i>	
Statement of Net Position	10
Statement of Activities	12
<i>Fund Financial Statements</i>	
Balance Sheet – Governmental Funds	13
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	16
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – American Rescue Plan Fund.....	19
Statement of Net Position – Proprietary Funds.....	20
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	22
Statement of Cash Flows – Proprietary Funds.....	23
Notes to the Financial Statements	25
Required Supplementary Information	
Schedule of Changes in the Net Pension Liability and Related Ratios	47
Schedule of Contributions	48
Schedule of Changes in the Total OPEB Liability and Related Ratios.....	49
Schedule of OPEB Contributions.....	50
Notes to the Required Supplementary Information	51
Supplementary Information	
<i>Schedule of Nonmajor Governmental Funds</i>	53
<i>Combining and Individual Fund Statements and Schedules</i>	
Combining Balance Sheet – Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	55
<i>Special Revenue Funds</i>	
<i>Confiscated Assets Fund</i>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	56
<i>Hotel / Motel Tax Fund</i>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	57

CITY OF LOGANVILLE, GEORGIA

TABLE OF CONTENTS

Component Unit

Loganville Development Authority

Balance Sheet	58
Statement of Revenue, Expenditures, and Changes in Fund Balances	59

Special Purpose Local Option Sales Tax

Schedule of Projects Constructed with Special Sales Tax Proceeds – 2017 Passed Through from Gwinnett County	60
Schedule of Projects Constructed with Special Sales Tax Proceeds – 2019 Passed Through from Walton County	61
Schedule of Projects Constructed with Special Sales Tax Proceeds – 2023 Passed Through from Gwinnett County	62

Governmental Report

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 <i>Government Auditing Standards</i>	63
Schedule of Findings and Responses	65

March 4, 2024

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
City of Loganville, 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 Loganville, Georgia** (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof and the budgetary comparison information for the General Fund and the American Rescue Plan Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, 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 information on pages 4 through 9, the schedule of changes in the net pension liability and related ratios on page 47, the schedule of contributions on page 48, the schedule of changes in the total OPEB liability and related ratios on page 49, schedule of OPEB contributions on page 50, and the notes to the required supplementary information on pages 51 through 52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules for the nonmajor special revenue funds, the Loganville Development Authority's financial statements, and the schedules of projects constructed with special purpose local options sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules for the nonmajor special revenue funds, the Loganville Development Authority's financial statements, and the schedules of projects constructed with special purpose local options sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules for the nonmajor special revenue funds, the Loganville Development Authority's financial statements, and the schedules of projects constructed with special purpose local options sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

McNair, McLeMore, Middlebrooks & Co., LLC

MCNAIR, MCLEMORE, MIDDLEBROOKS & CO., LLC

MANAGEMENT'S DISCUSSION & ANALYSIS

CITY OF LOGANVILLE, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

As management of the City of Loganville, Georgia we present management's analysis of the City's financial condition and activities for the fiscal year ended June 30, 2023. This information should be read and considered in conjunction with the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$71,614,081 (total net position). Of this amount, \$27,297,328 (unrestricted net position) was available for use to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$6,934,603.
- At the close of fiscal year 2023, the City's governmental funds reported combined ending fund balances of \$29,195,481. Of this amount, \$15,066,224 or 52 % is available for spending at the government's discretion (general unassigned fund balance). The balance of this amount, \$14,129,257 is available for spending according to the guidelines of the source of the funds.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$15,066,224.

Overview of the Financial Statements

Management's Discussion and Analysis (MD&A) serves as an introduction to the City of Loganville's basic financial statements. The City's basic financial statements include the government-wide financial statements, fund financial statements, and notes to the financial statements. The MD&A should be read and considered with the basic audited financial statements and supplementary information.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the City's finances in a manner similar to commercial enterprises.

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

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected property taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, culture and recreation and housing and development. The business-type activities of the City include water and sewer and the solid waste management.

Overview of the Financial Statements (Continued)

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

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

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

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund, American Rescue Plan Fund, and 2019 SPLOST Fund which are considered major funds. The data from the five other funds, the non-major funds, is aggregated into a single presentation. The individual fund data for these funds is located in the combining statements in the supplementary section of this report.

The City adopts an annual appropriated budget for the General fund and all special revenue funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget. The City does not have a debt service fund. The City adopted a project length budget for all Capital project funds. Budgetary comparisons for the non-major funds are included as supplementary information.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its solid waste operations and water and sewer system operations.

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 on the Water and Sewer Fund, and the Solid Waste Fund. These two funds are considered to be major funds of the City.

Notes to the financial statements. The notes provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes provide information about the City's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding the City's obligation in funding pension benefits to its employees and the City's OPEB liability, related ratios, and contributions.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources at the close of fiscal year 2023 at \$71,614,081.

Government-wide Financial Analysis (Continued)

One component of net position, which may be used to meet the City's ongoing obligations to its citizens and creditors, is unrestricted in the amount of \$27,297,328 or 38%. Another component of the City's net position is net investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding, which comprises \$29,159,140 or 41%. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's net investment in 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's net position, \$15,157,613 or 21% represents resources that are subject to external restrictions on how they may be used and debt service.

City of Loganville Net Position June 30, 2023

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Assets						
Current Assets	\$ 34,573,704	\$ 27,129,684	\$ 16,106,622	\$ 14,290,403	\$ 50,680,326	\$ 41,420,087
Restricted Assets	-	-	2,367,225	2,222,819	2,367,225	2,222,819
Capital Assets	13,988,850	13,631,666	34,439,682	35,788,956	48,428,532	49,420,622
Total Assets	48,562,554	40,761,350	52,913,529	52,302,178	101,476,083	93,063,528
Deferred Outflows of Resources						
Deferred Outflows Related to Pension/OPEB	5,461,371	2,934,154	1,134,955	432,553	6,596,326	3,366,707
Total Deferred Outflows of Resources	5,461,371	2,934,154	1,134,955	432,553	6,596,326	3,366,707
Liabilities						
Current and Other Liabilities	5,375,038	3,619,761	1,311,996	2,493,364	6,687,034	6,113,125
Noncurrent Liabilities	10,295,994	5,257,802	19,187,644	17,912,524	29,483,638	23,170,326
Total liabilities	15,671,032	8,877,563	20,499,640	20,405,888	36,170,672	29,283,451
Deferred Inflows of Resources						
Deferred Inflows Related to Pension/OPEB	290,656	2,026,133	-	441,173	290,656	2,467,306
Net Position						
Net Investment in Capital Assets	12,211,229	12,055,634	16,947,911	16,998,692	29,159,140	29,054,326
Restricted for:						
Capital Outlay	12,672,078	9,798,028	2,367,225	2,222,819	15,039,303	12,020,847
Tourism	54,712	52,725	-	-	54,712	52,725
Law Enforcement	63,598	91,047	-	-	63,598	91,047
Unrestricted	13,063,620	10,794,374	14,233,708	12,676,159	27,297,328	23,470,533
Total Net Position	\$ 38,065,237	\$ 32,791,808	\$ 33,548,844	\$ 31,897,670	\$ 71,614,081	\$ 64,689,478

At the end of the current fiscal year, the City is able to report positive balances in all categories of net position, both for the government as whole, as well as for its separate governmental and business-type activities.

Government-wide Financial Analysis (Continued)

City of Loganville Changes in Net Position June 30, 2023

	Governmental Activities		Business Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Service	\$ 2,149,438	\$ 2,536,935	\$ 12,991,926	\$ 12,497,740	\$ 15,141,364	\$ 15,034,675
Operating Grants and Contributions	551,201	270,809	-	-	551,201	270,809
Capital Grants and Contributions	3,379,816	2,696,223	314,305	148,262	3,694,121	2,844,485
General Revenues						
Property Taxes	8,041,053	7,223,388	-	-	8,041,053	7,223,388
Sales Tax	2,058,489	2,013,926	-	-	2,058,489	2,013,926
Other Taxes	3,515,590	3,126,896	-	-	3,515,590	3,126,896
Gain on Sale of Capital Assets	57,154	1,548	-	-	57,154	1,548
Investment Earnings	100,897	29,895	63,062	1,353	163,959	31,248
Miscellaneous	291,251	237,964	42,795	18,094	334,046	256,058
Total Revenue	20,144,889	18,137,584	13,412,088	12,665,449	33,556,977	30,803,033
Expenses						
General Government	3,089,283	2,761,703	-	-	3,089,283	2,761,703
Judicial	522,530	568,635	-	-	522,530	568,635
Public Safety	6,934,640	6,601,204	-	-	6,934,640	6,601,204
Public Works	3,291,205	2,528,122	-	-	3,291,205	2,528,122
Culture and Recreation	134,038	134,038	-	-	134,038	134,038
Housing and Development	866,384	773,672	-	-	866,384	773,672
Interest and Fiscal charges	33,380	39,586	-	-	33,380	39,586
Water and Sewer	-	-	9,401,551	8,558,989	9,401,551	8,558,989
Solid Waste	-	-	2,349,363	2,104,355	2,349,363	2,104,355
Total Expenses	14,871,460	13,406,960	11,750,914	10,663,344	26,622,374	24,070,304
Increase in Net Position before Transfers	5,273,429	4,730,624	1,661,174	2,002,105	6,934,603	6,732,729
Transfers	-	300,000	-	(300,000)	-	-
Increase in Net Position	5,273,429	5,030,624	1,661,174	1,702,105	6,934,603	6,732,729
Net position - Beginning	32,791,808	27,761,184	31,887,670	30,185,565	64,679,478	57,946,749
Net position - Ending	\$ 38,065,237	\$ 32,791,808	\$ 33,548,844	\$ 31,887,670	\$ 71,614,081	\$ 64,679,478

Governmental activities. Governmental activities increased the City's net position by \$5,273,429 or 76% of the increase in the government's net position.

Revenues. Property taxes of \$8,041,053 and local option sales tax of \$2,058,489 accounted for 72% of total general revenues. Capital grants and contributions totaled \$3,379,816 including local option sales tax.

Expenses. The total expenses for governmental activities were \$14,871,460. The largest single expenditure activity is public safety. Public safety includes the police department and the fire department. The total public safety expense was \$6,934,640 or 47% of total governmental activity expense.

Government-wide Financial Analysis (Continued)

Business-type activities. Business type activities increased the City’s net position by \$1,661,174 or 24% of the increase in the government’s net position.

Revenues. Water and Sewer operating revenue was \$10,154,178. Solid Waste operating revenue was \$2,837,748. Water and sewer revenue is derived from the sale of water and sewer services to the citizens of the City. Solid waste is garbage collection services.

Expenses. Water and Sewer operating expenses were \$9,401,551. Solid Waste operating expenses were \$2,349,363.

Financial Analysis of the Government’s Funds

The City of Loganville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$29,195,481. Approximately 52% of this amount \$15,066,224 constitutes unassigned fund balance, which is available for spending at the government’s discretion. Other fund balances in the amount of \$1,293,052 and \$45,817 are set aside for non-spendable items and assigned items, respectively. The remainder of the fund balance \$12,790,388 is reported as restricted fund balance.

The General Fund is the chief operating fund of the City. At June 30, 2023, unassigned fund balance of the General Fund was \$15,066,224. As a measure of the General Fund’s liquidity, it may be useful to compare both the unassigned fund balance and total fund balances to total fund expenditures. The total fund balance is 124% and the unassigned fund balance is 114% of total General Fund expenditures.

Proprietary funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at June 30, 2023 amounted to \$10,603,937 and those of the Solid Waste Fund amounted to \$3,629,771. The total change in Water and Sewer net position was an increase of \$1,147,530 and the change in Solid Waste net position was \$513,644.

Capital Assets and Debt Administration

Capital Assets. The City’s net investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to \$48,428,532 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, infrastructure, building and improvements, equipment and vehicles.

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

- 22 Police Body Cams and Equip \$128,733
- 8 2023 Police Vehicles \$339,937
- 2 2023 Fleet Trucks \$89,574
- Water System Improvements \$951,570
- 4 2022 W/S Trucks \$170,824

Capital Assets and Debt Administration (Continued)

Capital Assets:

City of Loganville Capital Assets (Net of Depreciation)

	Governmental Activities	Business Type Activities	Totals
Land	\$ 2,092,701	\$ 1,000,000	\$ 3,092,701
Construction in Progress	1,173,064	77,569	1,250,633
Building	5,977,853	10,046,758	16,024,611
Site Improvements	221,370	22,418,898	22,640,268
Equipment	784,040	583,612	1,367,652
Furniture & Fixtures	1,411	-	1,411
Vehicles	1,243,344	312,845	1,556,189
Infrastructure	2,495,067	-	2,495,067
Total	<u>\$ 13,988,850</u>	<u>\$ 34,439,682</u>	<u>\$ 48,428,532</u>

Long-term Debt:

City of Loganville Outstanding Debt

	Governmental Activities	Business Type Activities	Totals
Revenue Bonds	\$ -	\$ 17,491,771	\$ 17,491,771
Total OPEB Liability	2,262,990	-	2,262,990
Net Pension Liability	6,332,960	1,615,830	7,948,790
Notes & Bonds Payable	1,305,079	-	1,305,079
Compensated Absences	394,965	80,043	475,008
Total	<u>\$ 10,295,994</u>	<u>\$ 19,187,644</u>	<u>\$ 29,483,638</u>

During the current fiscal year, the City's governmental funds incurred long-term debt totaling \$5,117,669 and retired debt totaling \$556,789. The City's enterprise funds incurred long-term debt totaling \$1,283,751 and retired debt totaling \$1,081,241.

Readers should refer to the notes to the financial statements for more detail on capital assets and long-term debt activity.

Economic Factors

The management of the City of Loganville is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position of the City or results of operations (revenues, expenses, and other changes in net position) of the City.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Manager and Finance Director, City of Loganville, P. O. Box 39, Loganville, Georgia, 30052.

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FINANCIAL STATEMENTS

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Loganville Development Authority
Assets				
Cash and Cash Equivalents	\$ 32,152,558	\$ 14,432,627	\$ 46,585,185	\$ 36,716
Investments	62,199	886,834	949,033	-
Receivables, Net of Allowance				
Taxes	27,194	-	27,194	-
Accounts	-	1,215,889	1,215,889	-
Due from Other Governments	591,545	-	591,545	-
Internal Balances	447,156	(447,156)	-	-
Prepaid Items	315,968	18,428	334,396	-
Assets Held for Resale	977,084	-	977,084	-
Restricted Cash and Cash Equivalents	-	2,367,225	2,367,225	-
Capital Assets				
Nondepreciable	3,265,765	1,077,569	4,343,334	-
Depreciable, Net of Accumulated Depreciation	10,723,085	33,362,113	44,085,198	-
Total Assets	48,562,554	52,913,529	101,476,083	36,716
Deferred Outflows of Resources				
Related to Pensions	4,448,256	1,134,955	5,583,211	-
Related to OPEB	1,016,115	-	1,016,115	-
Total Deferred Outflows of Resources	5,464,371	1,134,955	6,599,326	-

See accompanying notes which are an integral part of these financial statements.

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023
(CONTINUED)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Loganville Development Authority
Liabilities				
Accounts Payable	\$ 596,337	\$ 502,964	\$ 1,099,301	\$ -
Retainages Payable	82,272	-	82,272	-
Accrued Expenses	167,136	42,024	209,160	-
Accrued Interest Payable	2,929	61,063	63,992	-
Unearned Revenue	4,526,364	-	4,526,364	-
Customer Deposits	-	705,945	705,945	-
Noncurrent Liabilities				
Due within One Year				
Compensated Absences	301,491	56,658	358,149	-
Notes Payable	261,841	-	261,841	-
Revenue Bonds	-	1,062,875	1,062,875	-
Due in More Than One Year				
Compensated Absences	93,474	23,385	116,859	-
Notes Payable	1,043,238	-	1,043,238	-
Revenue Bonds	-	16,428,896	16,428,896	-
Net Pension Liability	6,332,960	1,615,830	7,948,790	-
Net OPEB Liability	2,262,990	-	2,262,990	-
Total Liabilities	15,671,032	20,499,640	36,170,672	-
Deferred Inflows of Resources				
Related to OPEB	290,656	-	290,656	-
Total Deferred Inflows of Resources	290,656	-	290,656	-
Net Position				
Net Investment in Capital Assets	12,211,229	16,947,911	29,159,140	-
Restricted for				
Law Enforcement	63,598	-	63,598	-
Tourism	54,712	-	54,712	-
Capital Outlay	12,672,078	2,367,225	15,039,303	-
Unrestricted	13,063,620	14,233,708	27,297,328	36,716
Total Net Position	\$ 38,065,237	\$ 33,548,844	\$ 71,614,081	\$ 36,716

See accompanying notes which are an integral part of these financial statements.

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	Loganville Development Authority
Primary Government								
Governmental Activities								
General Government	\$ 3,089,283	\$ 1,574,168	\$ 372,500	\$ 73,617	\$ (1,068,998)	\$ -	\$ (1,068,998)	\$ -
Judicial	522,530	-	-	-	(522,530)	-	(522,530)	-
Public Safety	6,934,640	575,270	178,701	1,195,865	(4,984,804)	-	(4,984,804)	-
Public Works	3,291,205	-	-	1,760,072	(1,531,133)	-	(1,531,133)	-
Culture and Recreation	134,038	-	-	350,262	216,224	-	216,224	-
Housing and Development	866,384	-	-	-	(866,384)	-	(866,384)	-
Interest on Long-Term Debt	33,380	-	-	-	(33,380)	-	(33,380)	-
Total Governmental Activities	14,871,460	2,149,438	551,201	3,379,816	(8,791,005)	-	(8,791,005)	-
Business-Type Activities								
Water and Sewer	9,401,551	10,154,178	-	314,305	-	1,066,932	1,066,932	-
Solid Waste	2,349,363	2,837,748	-	-	-	488,385	488,385	-
Total Business-Type Activities	11,750,914	12,991,926	-	314,305	-	1,555,317	1,555,317	-
Total Primary Government	\$ 26,622,374	\$ 15,141,364	\$ 551,201	\$ 3,694,121	(8,791,005)	1,555,317	(7,235,688)	-
Component Unit								
Loganville Development Authority	\$ 2,809	\$ -	\$ 975	\$ -				(1,834)
Total Component Unit	\$ 2,809	\$ -	\$ 975	\$ -				(1,834)
General Revenues								
Property					8,041,053	-	8,041,053	-
Franchise					892,082	-	892,082	-
Sales					2,058,489	-	2,058,489	-
Other Taxes					2,623,508	-	2,623,508	-
Investment Earnings					100,897	63,062	163,959	-
Miscellaneous					250,587	-	250,587	-
Insurance Recoveries					40,664	42,795	83,459	-
Gain on Sale of Capital Assets					57,154	-	57,154	-
Total General Revenues					14,064,434	105,857	14,170,291	-
Change in Net Position					5,273,429	1,661,174	6,934,603	(1,834)
Net Position - Beginning					32,791,808	31,887,670	64,679,478	38,550
Net Position - Ending					\$ 38,065,237	\$ 33,548,844	\$ 71,614,081	\$ 36,716

See accompanying notes which are an integral part of these financial statements.

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CITY OF LOGANVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

		Special Revenue Fund	Capital Project Fund		
	General Fund	American Rescue Plan Fund	2019 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 14,739,816	\$ 4,880,286	\$ 6,875,005	\$ 5,657,451	\$ 32,152,558
Investments	62,199	-	-	-	62,199
Receivables, Net of Allowance					
Taxes	7,486	-	-	19,708	27,194
Due from Other Governments	241,450	-	222,123	127,972	591,545
Due from Other Funds	376,569	-	-	128,848	505,417
Prepaid Items	315,968	-	-	-	315,968
Assets Held for Resale	977,084	-	-	-	977,084
Total Assets	<u>\$ 16,720,572</u>	<u>\$ 4,880,286</u>	<u>\$ 7,097,128</u>	<u>\$ 5,933,979</u>	<u>\$ 34,631,965</u>
Liabilities					
Accounts Payable	\$ 181,846	\$ 314,305	\$ -	\$ 100,186	\$ 596,337
Retainages Payable	-	-	-	82,272	82,272
Accrued Expenses	167,136	-	-	-	167,136
Due to Other Funds	-	-	-	58,261	58,261
Unearned Grants	-	4,526,364	-	-	4,526,364
Total Liabilities	<u>348,982</u>	<u>4,840,669</u>	<u>-</u>	<u>240,719</u>	<u>5,430,370</u>
Deferred Inflows of Resources					
Unavailable Revenue-Property Taxes	6,114	-	-	-	6,114
Total Deferred Inflows of Resources	<u>6,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,114</u>
Fund Balances					
Nonspendable	1,293,052	-	-	-	1,293,052
Restricted	-	-	7,097,128	5,693,260	12,790,388
Assigned	6,200	39,617	-	-	45,817
Unassigned	15,066,224	-	-	-	15,066,224
Total Fund Balances	<u>16,365,476</u>	<u>39,617</u>	<u>7,097,128</u>	<u>5,693,260</u>	<u>29,195,481</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 16,720,572</u>	<u>\$ 4,880,286</u>	<u>\$ 7,097,128</u>	<u>\$ 5,933,979</u>	<u>\$ 34,631,965</u>

See accompanying notes which are an integral part of these financial statements.

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

Total Fund Balances - Governmental Funds	\$ 29,195,481
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Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:

Capital Assets

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of the Assets	26,918,520
Accumulated Depreciation	(12,929,670)

Deferred Outflows of Resources

Related to Pensions	4,448,256
Related to OPEB	1,016,115

Revenues

Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unearned in the funds.	6,114
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Long-Term Liabilities

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position.

Long-term liabilities at year-end consist of the following:

Accrued Interest	(2,929)
Compensated Absences	(394,965)
Notes Payable	(1,305,079)
Net Pension Liability	(6,332,960)
Net OPEB Liability	(2,262,990)

Deferred Inflows of Resources

Related to OPEB	(290,656)
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Total Net Position of Governmental Activities	<u><u>\$ 38,065,237</u></u>
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See accompanying notes which are an integral part of these financial statements.

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

	General Fund	Special Revenue Fund American Rescue Plan Fund	Capital Project Fund 2019 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes					
Property	\$ 8,035,134	\$ -	\$ -	\$ -	\$ 8,035,134
Franchise	892,082	-	-	-	892,082
Sales	2,058,489	-	-	-	2,058,489
Hotel / Motel	-	-	-	85,716	85,716
Alcoholic Beverage	547,010	-	-	-	547,010
Business and Occupational	562,465	-	-	-	562,465
Insurance Premium	1,206,197	-	-	-	1,206,197
Other	222,120	-	-	-	222,120
License and Permits	647,242	-	-	-	647,242
Intergovernmental	342,565	343,780	2,505,352	661,113	3,852,810
Charges for Services	282,924	-	-	856,057	1,138,981
Fines and Forfeitures	320,961	-	-	42,254	363,215
Investment Earnings	42,022	39,617	70,808	22,067	174,514
Contributions from Private Sources	4,590	-	-	-	4,590
Miscellaneous	250,587	-	-	-	250,587
Total Revenues	15,414,388	383,397	2,576,160	1,667,207	20,041,152
Expenditures					
Current					
General Government	2,742,105	-	-	-	2,742,105
Judicial	506,005	-	-	-	506,005
Public Safety	6,188,861	-	-	69,703	6,258,564
Public Works	2,587,624	343,780	292	173	2,931,869
Culture and Recreation	133,238	-	-	-	133,238
Housing and Development	800,441	-	-	31,305	831,746
Debt Service					
Principal	255,669	-	-	-	255,669
Interest and Other Charges	34,770	-	-	-	34,770
Capital Outlay	-	-	362,005	878,877	1,240,882
Total Expenditures	13,248,713	343,780	362,297	980,058	14,934,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,165,675	39,617	2,213,863	687,149	5,106,304
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	57,154	-	-	-	57,154
Insurance Recoveries	40,664	-	-	-	40,664
Transfers In	52,424	-	-	-	52,424
Transfers Out	-	-	-	(52,424)	(52,424)
Total Other Financing Sources (Uses)	150,242	-	-	(52,424)	97,818
Net Change in Fund Balances	2,315,917	39,617	2,213,863	634,725	5,204,122
Fund Balances - Beginning	14,049,559	-	4,883,265	5,058,535	23,991,359
Fund Balances - Ending	\$ 16,365,476	\$ 39,617	\$ 7,097,128	\$ 5,693,260	\$ 29,195,481

See accompanying notes which are an integral part of these financial statements.

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

Net Change in Fund Balances - Total Governmental Funds \$ 5,204,122

Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances due to the following:

Capital Assets

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Total Capital Outlays	1,621,292
Total Depreciation	(1,220,737)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales disposals, donations, trade-ins, annexing) is to decrease net position.	(43,371)
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Deferred Outflows of Resources Related to Pensions is not Available During the Current Period is not Reported in the Funds

Changes in Deferred Outflows of Resources Related to Pension	2,597,444
Changes in Deferred Outflows of Resources Related to OPEB	(67,227)

Long-Term Debt

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

The adjustments for these items are as follows:

Accrued Interest Payable	1,390
Compensated Absences	(741)
Notes Payable	255,669
Net Pension Liability	(4,655,930)
Net OPEB liability	(159,878)

Deferred Inflows of Resources Related to Pension is not Available During the Current Period is not Reported in the Funds

Changes in Deferred Inflows of Resources Related to Pension	1,887,699
Changes in Deferred Inflows of Resources Related to OPEB	(152,222)

Revenues

Because some revenues will not be collected for several months after the government's year end, they are not considered available revenues and are unearned in the governmental funds. Unearned revenues decreased by this amount during the year.

5,919

Change in Net Position of Governmental Activities	<u>\$ 5,273,429</u>
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See accompanying notes which are an integral part of these financial statements.

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Property	\$ 7,222,000	\$ 7,222,000	\$ 8,035,134	\$ 813,134
Franchise	834,100	834,100	892,082	57,982
Sales	1,800,000	1,800,000	2,058,489	258,489
Alcoholic Beverage	562,000	562,000	547,010	(14,990)
Business and Occupational	500,000	500,000	562,465	62,465
Insurance Premium	900,000	900,000	1,206,197	306,197
Other	203,000	203,000	222,120	19,120
License and Permits	398,600	398,600	647,242	248,642
Intergovernmental	317,552	317,552	342,565	25,013
Charges for Services	272,450	272,450	282,924	10,474
Fines and Forfeitures	500,200	500,200	320,961	(179,239)
Investment Earnings	5,000	5,000	42,022	37,022
Contribution from Private Sources	4,000	4,000	4,590	590
Miscellaneous	105,500	105,500	250,587	145,087
Total Revenues	<u>13,624,402</u>	<u>13,624,402</u>	<u>15,414,388</u>	<u>1,789,986</u>
Expenditures				
Current				
General Government				
Council	103,322	104,175	73,568	30,607
Executive	446,150	509,447	500,388	9,059
Board of Elections / Registrations	-	50	50	-
Administration	654,243	960,134	899,490	60,644
Data Processing (IT)	616,656	662,611	612,389	50,222
Buildings and Plant	623,560	734,345	656,220	78,125
Judicial				
Municipal Court	675,050	684,443	506,005	178,438
Public Safety				
Police	3,389,500	3,497,262	3,400,248	97,014
Fire Administration	3,176,308	3,122,221	2,788,613	333,608

See accompanying notes which are an integral part of these financial statements.

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(CONTINUED)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Expenditures				
Public Works				
Administration	\$ 769,806	\$ 756,198	\$ 705,844	\$ 50,354
Highways and Streets	1,198,275	1,074,908	1,047,127	27,781
Maintenance and Shop	779,500	874,153	834,653	39,500
Culture and Recreation				
Library	140,738	140,738	133,238	7,500
Housing and Development				
Planning and Zoning	486,485	446,098	431,219	14,879
Tourism - City Events	348,607	348,925	342,416	6,509
Downtown Development	265,757	26,807	26,806	1
Debt Service				
Principal	255,671	255,671	255,669	2
Interest and Other Charges	34,774	34,774	34,770	4
Total Expenditures	13,964,402	14,232,960	13,248,713	984,247
Excess (Deficiency) of Revenue				
Over (Under) Expenditure	(340,000)	(608,558)	2,165,675	2,774,233
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	57,154	57,154
Insurance Recoveries	-	-	40,664	40,664
Transfers in From Other Funds	340,000	340,000	52,424	(287,576)
Total Other Financing Sources (Uses)	340,000	340,000	150,242	(189,758)
Net Change in Fund Balances	-	(268,558)	2,315,917	2,584,475
Fund Balances - Beginning	14,049,559	14,049,559	14,049,559	-
Fund Balances - Ending	\$ 14,049,559	\$ 13,781,001	\$ 16,365,476	\$ 2,584,475

See accompanying notes which are an integral part of these financial statements.

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
AMERICAN RESCUE PLAN FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ 343,780	\$ 343,780
Investment Income	-	-	39,617	39,617
Total Revenues	-	-	383,397	383,397
Expenditures				
Current				
Public Works	-	29,475	343,780	(314,305)
Total Expenditures	-	29,475	343,780	(314,305)
Net Change in Fund Balances	-	(29,475)	39,617	69,092
Fund Balances - Beginning	-	-	-	-
Fund Balances - Ending	\$ -	\$ (29,475)	\$ 39,617	\$ 69,092

See accompanying notes which are an integral part of these financial statements.

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CITY OF LOGANVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-Type Activities - Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 11,689,720	\$ 2,742,907	\$ 14,432,627
Investments	323,603	563,231	886,834
Accounts Receivable, Net	837,459	378,430	1,215,889
Due from Other Funds	-	345,262	345,262
Prepaid Items	18,428	-	18,428
Total Current Assets	12,869,210	4,029,830	16,899,040
Noncurrent Assets			
Restricted Cash and Cash Equivalents	2,367,225	-	2,367,225
Capital Assets			
Nondepreciable	1,077,569	-	1,077,569
Depreciable, Net	33,362,113	-	33,362,113
Total Noncurrent Assets	36,806,907	-	36,806,907
Total Assets	49,676,117	4,029,830	53,705,947
Deferred Outflows of Resources			
Related to Pensions	1,134,955	-	1,134,955
Total Deferred Outflows of Resources	1,134,955	-	1,134,955

See accompanying notes which are an integral part of these financial statements.

CITY OF LOGANVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023
(CONTINUED)

	Business-Type Activities - Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
Liabilities			
Current Liabilities			
Accounts Payable	\$ 287,885	\$ 215,079	\$ 502,964
Accrued Expenses	42,024	-	42,024
Due to Other Funds	607,438	184,980	792,418
Accrued Interest Payable	61,063	-	61,063
Customer Deposits Payable	705,945	-	705,945
Compensated Absences	56,658	-	56,658
Revenue Bond Payable	1,062,875	-	1,062,875
Total Current Liabilities	2,823,888	400,059	3,223,947
Noncurrent Liabilities			
Compensated Absences	23,385	-	23,385
Revenue Bonds	16,428,896	-	16,428,896
Net Pension Liability	1,615,830	-	1,615,830
Total Noncurrent Liabilities	18,068,111	-	18,068,111
Total Liabilities	20,891,999	400,059	21,292,058
Net Position			
Net Investment in Capital Assets	16,947,911	-	16,947,911
Restricted for System Improvements	2,367,225	-	2,367,225
Unrestricted	10,603,937	3,629,771	14,233,708
Total Net Position	\$ 29,919,073	\$ 3,629,771	\$ 33,548,844

See accompanying notes which are an integral part of these financial statements.

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Solid Waste	
	Fund	Fund	Total
Operating Revenues			
Charges for Sales and Services	\$ 10,148,169	\$ 2,837,748	\$ 12,985,917
Miscellaneous	6,009	-	6,009
Total Operating Revenues	10,154,178	2,837,748	12,991,926
Operating Expenses			
Salaries and Benefits	2,771,436	-	2,771,436
Purchased / Contracted Services	1,162,205	-	1,162,205
Supplies and Materials	2,868,385	2,349,363	5,217,748
Depreciation	2,003,130	-	2,003,130
Total Operating Expenses	8,805,156	2,349,363	11,154,519
Operating Income	1,349,022	488,385	1,837,407
Non-Operating Revenue (Expenses)			
Interest Income	37,803	25,259	63,062
Interest Expense	(596,395)	-	(596,395)
Insurance Recoveries	42,795	-	42,795
Total Nonoperating Revenues (Expenses)	(515,797)	25,259	(490,538)
Income Before Contributions and Transfers	833,225	513,644	1,346,869
Capital Contributions	314,305	-	314,305
Change in Net Position	1,147,530	513,644	1,661,174
Net Position - Beginning	28,771,543	3,116,127	31,887,670
Net Position - Ending	\$ 29,919,073	\$ 3,629,771	\$ 33,548,844

See accompanying notes which are an integral part of these financial statements.

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Solid Waste	
	Fund	Fund	Total
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 10,196,327	\$ 2,773,912	\$ 12,970,239
Payments to Vendors for Goods and Services	(4,923,888)	(1,883,997)	(6,807,885)
Payments to Employees	(2,746,618)	-	(2,746,618)
Net Cash Provided by (Used for) Operating Activities	2,525,821	889,915	3,415,736
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(408,182)	-	(408,182)
Proceeds from Liquidated Damages of Capital Assets	68,631	-	68,631
Interest and Fiscal Charges on Bonds	(657,865)	-	(657,865)
Principal Payments on Bonds	(960,000)	-	(960,000)
Insurance Recoveries	42,795	-	42,795
Net Cash (Used for) Capital and Related Financing Activities	(1,914,621)	-	(1,914,621)
Cash Flows for Investing Activities			
Interest Received	37,803	25,259	63,062
Purchases of Investments	(11,755)	(20,459)	(32,214)
Net Cash (Used for) in Investing Activities	26,048	4,800	30,848
Net Increase (Decrease) in Cash and Cash Equivalents	637,248	894,715	1,531,963
Cash and Cash Equivalents - Beginning	13,419,697	1,848,192	15,267,889
Cash and Cash Equivalents - Ending	\$ 14,056,945	\$ 2,742,907	\$ 16,799,852
Reconciliation of Cash and Cash Equivalents			
Current Assets	\$ 11,689,720	\$ 2,742,907	\$ 14,432,627
Restricted Assets	2,367,225	-	2,367,225
Total Cash and Cash Equivalents	\$ 14,056,945	\$ 2,742,907	\$ 16,799,852

See accompanying notes which are an integral part of these financial statements.

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Solid Waste	
	Fund	Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income	\$ 1,349,022	\$ 488,385	\$ 1,837,407
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	2,003,130	-	2,003,130
Accounts Receivable, Net	38,398	(63,836)	(25,438)
Due from Other Funds	-	425,358	425,358
Prepaid Items	3,338	-	3,338
Deferred Outflows of Resources Related to Pensions	(702,402)	-	(702,402)
Accounts Payable	(83,858)	26,936	(56,922)
Accrued Expenses	(61,902)	-	(61,902)
Due to Other Funds	(812,778)	13,072	(799,706)
Compensated Absences	6,403	-	6,403
Customer Deposits Payable	3,751	-	3,751
Net Pension Liability	1,223,892	-	1,223,892
Deferred Inflows of Resources Related to Pensions	(441,173)	-	(441,173)
Total Adjustments	1,176,799	401,530	1,578,329
Net Cash Provided (Used) by Operating Activities	\$ 2,525,821	\$ 889,915	\$ 3,415,736
Noncash Investing, Capital and Financing Activities			
Contributions of Capital Assets	\$ 314,305	\$ -	\$ 314,305

See accompanying notes which are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CITY OF LOGANVILLE, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Reporting Entity

The City of Loganville, Georgia (hereinafter the “City”) was incorporated under the laws of the State of Georgia in 1887 and operates under a mayor-council form of government. The City provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation, culture-recreation, public improvements, planning and zoning, general and administrative services, and water utilities.

The accounting policies of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governments. The following is a summary of the City’s more significant policies applied in the preparation of the accompanying financial statements.

As required by GAAP, the financial statements of the reporting entity include those of the City of Loganville, Georgia which is the primary government and its component unit. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The component unit discussed below is included in the City’s reporting entity because of the significance of its operational and financial relationships with the City. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards Board (GASB) No. 61 *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34*, the City’s relationship with other governments and agencies have been examined. The component unit column in the combined financial statements includes the financial date for the Loganville Development Authority, as of June 30, 2023. The financial information for the component unit is reported in columns separate from the City’s financial information to emphasize that it is legally separate from the City.

Loganville Development Authority

The Loganville Development Authority, (the “Authority”) was created to revitalize and redevelop the central business district of the City. The Authority’s governing board is appointed by the City Council. The Authority has not issued a separate financial statement for this year.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component unit for which the primary government is financially accountable.

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

(1) Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, local option sales taxes, franchise taxes, other taxes, licenses and permits, intergovernmental revenues, interest, and charges for services 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. All other revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund – 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.

American Rescue Plan Fund – This special revenue fund was established to account for the federal grant funds received and administered by the City.

2019 Special Purpose Local Option Sales Tax Fund – This capital project fund is used to account for the construction and improvements in accordance with the sales tax referendum.

The City reports the following major proprietary funds:

Water and Sewer Fund – accounts for the operations of maintenance of the City’s water and wastewater services to the residents and businesses of the City.

Solid Waste Fund – accounts for the operation and maintenance of the City’s trash collection, leaf and limb collection and recycling.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges for services or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Other revenue sources not properly included with program revenues are reported as general revenues of the City.

(1) Summary of Significant Accounting Policies (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expense not meeting this definition are reported as nonoperating revenues and expenses.

Deposits and Investments

Deposits

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

Investments

Investments for the City are reported at fair value.

Receivables

In the government-wide financial statements, receivables consist of all revenues accrued at year-end and not yet received including property taxes, amounts due from other funds and grants.

In the fund financial statements, deferred revenue accounts are used to offset receivables to the extent revenue is not recognized under the City's policy.

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

Interfund Receivables, Payables, Advances, and Transfers

In the fund financial statements, balances that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables / interfund payables" or "advances to / from other funds." In the government-wide financial statements these balances are netted and reported as "internal balances."

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets and Reserves

Resources set aside in proprietary funds for repayment of bonds, emergency uses, renewal or extension, and system improvements in the amounts of \$2,367,225 is classified as restricted assets because its use is limited by bond covenants and state laws. A corresponding portion of net position is segregated by its classification in the amount of \$2,367,225 as restricted for system improvements.

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Infrastructure with an individual cost that is equal to or exceeds \$25,000 is recorded as a capital asset. General infrastructure assets (roads, bridges, and other infrastructure assets) acquired prior to July 1, 2003, are not reported in the basic financial statements. Capital assets are valued at historical costs or estimated historical cost if actual cost is not available. Donated capital assets are valued at their acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Preliminary and interim costs incurred by governmental funds for capital projects are reported as “construction in progress.” Cost related to abandoned projects are expensed when the project is abandoned.

Capital assets are depreciated over their estimated useful lives using the straight-line method. These estimated useful lives are as follows:

Asset Class	Years
Computer, Equipment, and Heavy Machinery	5
Furniture and Fixtures	10
Vehicles	4 -10
Lines and Mains	20 - 50
Buildings	20 - 50
Land Improvements	10 - 25
Infrastructure	15 - 99

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions or capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

Compensated Absences

Annual leave is earned by all permanent City employees and may be accumulated and carried over to a maximum of 240 hours per employee. The City accrues the cost of annual leave when the leave is earned. This cost is accrued in the government-wide and proprietary fund financial statements.

Sick leave is earned by all full-time City employees and 720 hours may be accumulated. Employees leaving the City are not entitled to payment for accumulated sick leave.

(1) Summary of Significant Accounting Policies (Continued)

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City has two items that qualify for reporting in this category. The first is the deferred outflow of resources related to pensions and is reported in the government-wide statement of net position and the proprietary funds statement of net position. Deferred outflows of resources related to pensions are relative to the pension plan's differences between actual and expected experience, change in assumptions, and accumulation of contributions subsequent to the measurement date. This amount is deferred and will be recognized as a reduction of the net pension liability in future years. The second is the deferred outflow of resources related to OPEB and is reported in the government-wide statement of net position only. Deferred outflows of resources of the OPEB are relative to the pension plan's differences between actual and expected experience, change in assumptions, and accumulation of contributions subsequent to the measurement date. This amount is deferred and will be recognized as a reduction of the OPEB liability in future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items which arise under a modified accrual basis of accounting that qualifies for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is the deferred inflow of resources related to OPEB and is reported in the government-wide statement of net position. Deferred inflows of resources related to OPEB are relative to the differences between expected and actual experience and changes on assumptions or other inputs. This amount is deferred and will be recognized as a reduction of the OPEB plan liability in future years.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position.

Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of Mayor and Council. The Mayor and Council approve committed resources through a motion and vote during the voting session of Council meetings. The Mayor and Council also may modify or rescind the commitment.
- Assigned – amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Through resolution, Mayor and Council have authorized the City Manager or his designee to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

(1) Summary of Significant Accounting Policies (Continued)

Fund Equity (Continued)

Fund Balance 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:

- Committed
- Assigned
- Unassigned

The City does not have a formal minimum fund balance policy.

The following is a summary of the fund balance classifications as of June 30, 2023:

	General Fund	American Rescue Plan Fund	2019 SPLOST Fund	Nonmajor Governmental Funds	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 315,968	\$ -	\$ -	\$ -	\$ 315,968
Assets Held for Resale	977,084	-	-	-	977,084
Restricted for					
Law Enforcement	-	-	-	63,598	63,598
Tourism	-	-	-	54,712	54,712
Capital Outlay	-	-	7,097,128	5,574,950	12,672,078
Assigned					
Law Enforcement	3,200	-	-	-	3,200
Recreation	3,000	-	-	-	3,000
Capital Outlay	-	39,617	-	-	39,617
Unassigned	15,066,224	-	-	-	15,066,224
Total Fund Balances	\$ 16,365,476	\$ 39,617	\$ 7,097,128	\$ 5,693,260	\$ 29,195,481

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statement and the accompanying notes. Actual results may differ from those estimates.

(2) New Accounting Pronouncements

GASB Statement No. 91, Conduit Debt

The City and its component unit, as applicable, have implemented GASB Statement 91, *Conduit Debt*. The requirements of this statement are effective for periods beginning after December 15, 2021. The implementation of this new standard had no impact on the City's or its component unit's net position.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

The City and its component unit, as applicable, have implemented GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the City's or its component unit's financial statements.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs)

The City and its component unit, as applicable, have implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The requirements of this statement are effective for periods beginning after June 15, 2022. The objective of this standard is to better meet the information needs of financial statement users by establishing uniform accounting and financial reporting requirements for SBITAs, improving the comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. There were no material changes to the recognition of subscriptions, and therefore, no impact to the City's or component unit's financial statements upon adoption.

(3) Stewardship, Compliance, and Accountability

Budgetary Information

An annual appropriated budget is adopted by ordinance for all fund types. Budgets are prepared on the modified accrual basis for governmental fund types and on the accrual basis for proprietary fund types and are consistent with GAAP. All annual appropriations lapse at the end of the fiscal year with the exception of the Capital Projects Funds.

Prior to the first of July of each year, all department heads submit a request for appropriations to the city manager so that a budget may be prepared. Appropriated budgets are compiled by the city manager, finance officer, and department heads. Before the first day of June, the proposed budget is presented to the mayor and council for review. After holding a public hearing, a final budget is prepared and adopted no later than June 30. Budgetary control is maintained at the department level. Department heads, with the approval of the city manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of city council.

Expenditures over Appropriations

The City had expenditures in excess of appropriations in the American Rescue Plan Fund - Major Special Revenue Fund of \$314,305 in the public works department.

(4) Deposits and Investments

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered. The City's bank balances of deposits as of June 30, 2023, are entirely insured or collateralized with securities held by the City's agent in the City's name.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

At June 30, 2023, the Loganville Development Authority, a discretely presented component unit's bank balances were entirely insured or collateralized with securities held by the Authority's agent in the Authority's name.

Investments

Investment Type	Credit Rating	Value
Office of State Treasurer (Georgia Fund 1)	AAA rated	\$ 949,033

State statutes authorize the City to invest in obligation of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Custodial Credit Risk - Investments

For an investment, the custodial credit risk is the risk that in the event of the failure of the counter-party to a transaction, an entity will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. As of June 30, 2023, the City had no investment balances exposed to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Georgia laws (O.C.G.A. 36-83-4 and 36-82-7) limit investments of the City. The City has no investment policy that would further limit its investment choices. As of June 30, 2023, the City's investment in the Office of the State Treasurer was rated AAAs/S1+ by Standard and Poor's.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP.

This hierarchy consists of three broad levels: Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are quoted at market prices for similar assets or liabilities, or quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable. Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

As of June 30, 2023, the City has investments in Georgia Fund 1, which are not subject to level disclosure.

(5) Assets Held for Resale

The City has purchased multiple properties in an effort to begin the process of revitalizing the downtown area. The intent of the City is to resale the properties. The City's total investment in assets held for resale is \$977,084.

(6) Property Taxes

State law requires that property taxes be based on assessed value, which is 40 percent of market value. All real and personal property (including motor vehicles) is valued as of January 1 of each year and must be returned for tax purposes on March 1. With the exception of motor vehicles and property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Walton and Gwinnett County.

Exemptions are permitted for certain inventories. A homestead exemption is allowed for each taxpayer that is a homeowner and resides in the household as of January 1. There are other exemptions provided by state and local laws.

Upon completion of all assessments and tax returns, the information is turned over to the County Tax Commissioners for compilation of the tax digest. The completed tax digests must be submitted to the State Revenue Commissioners for approval. The State Revenue Commissioners must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40 percent) of fair market value. The Commissioners have the option to withhold certain state funding if the mandated 40 percent level is not reached. The City distributes tax notices and collects tax payments.

	Real / Personal Property (Excluding Vehicles)	Motor Vehicles
Assessment Date	January 1	January 1
Levy Date	September 8	January 1
Due Date and Collection Date	November 21	Staggered

Property taxes receivable have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period.

(7) Receivables

The City's receivables at June 30, 2023 consist of the following:

	Governmental Activities Funds			Business-Type Activities Funds		
	Nonmajor			Water & Sewer	Solid Waste	
	General	Funds	Total			Total
Receivables						
Taxes	\$ 14,787	\$ 19,708	\$ 34,495	\$ -	\$ -	\$ -
Accounts	-	-	-	959,109	444,617	1,403,726
Gross Receivables	14,787	19,708	34,495	959,109	444,617	1,403,726
Less Allowance for Uncollectibles	(7,301)	-	(7,301)	(121,650)	(66,187)	(187,837)
Net Total Receivables	\$ 7,486	\$ 19,708	\$ 27,194	\$ 837,459	\$ 378,430	\$ 1,215,889

(8) Due from Other Governments

Amounts due from other governments at June 30, 2023 are as follows:

Fund	State	County	Total
General Fund	\$ 162,320	\$ 79,130	\$ 241,450
2019 SPLOST Fund	-	222,123	222,123
Nonmajor Governmental Funds	-	127,972	127,972
Total	\$ 162,320	\$ 429,225	\$ 591,545

(9) Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2023 consisted of the following amounts:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 58,261
General Fund	Water and Sewer Fund	133,328
General Fund	Solid Waste Fund	184,980
Solid Waste Fund	Water and Sewer Fund	345,262
Nonmajor Governmental Funds	Water and Sewer Fund	128,848
		\$ 850,679

The outstanding balances between funds results mainly from the timing difference between the dates that reimbursable expenditures occur and the date payments between funds are made. The City expects to repay all interfund balances with one year.

Transfers Out	Transfers In	Amount
Nonmajor Governmental Funds	General Fund	\$ 52,424
		\$ 52,424

Nonmajor governmental funds transferred \$52,424 to the General Fund to fund tourism-related events.

(10) Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$ 2,092,701	\$ -	\$ -	\$ 2,092,701
Construction in Progress	326,439	879,462	(32,837)	1,173,064
Total Nondepreciable Capital Assets	2,419,140	879,462	(32,837)	3,265,765
Depreciable Capital Assets				
Infrastructure	7,852,381	-	-	7,852,381
Site Improvements	495,739	-	-	495,739
Buildings	8,318,373	-	-	8,318,373
Machinery and Equipment	1,658,500	367,207	-	2,025,707
Vehicles	4,867,931	374,623	(326,608)	4,915,946
Furniture and Fixtures	44,609	-	-	44,609
Total Depreciable Capital Assets	23,237,533	741,830	(326,608)	23,652,755
Less Accumulated Depreciation for				
Infrastructure	(4,971,228)	(386,086)	-	(5,357,314)
Site Improvements	(244,019)	(30,350)	-	(274,369)
Buildings	(2,151,287)	(189,233)	-	(2,340,520)
Machinery and Equipment	(1,013,211)	(228,456)	-	(1,241,667)
Vehicles	(3,603,756)	(384,920)	316,074	(3,672,602)
Furniture and Fixtures	(41,506)	(1,692)	-	(43,198)
Total Accumulated Depreciation	(12,025,007)	(1,220,737)	316,074	(12,929,670)
Total Depreciable Capital Assets, Net	11,212,526	(478,907)	(10,534)	10,723,085
Governmental Activities Capital Assets, Net	<u>\$ 13,631,666</u>	<u>\$ 400,555</u>	<u>\$ (43,371)</u>	13,988,850
			Less Related Long-Term Debt Outstanding	(1,305,079)
			Less Any Other (Non-Debt) Capital Related Liabilities	<u>(472,542)</u>
			Net Investment in Capital Assets	<u><u>\$ 12,211,229</u></u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Governmental Activities	
General Government	\$ 386,346
Public Safety	458,718
Public Works	367,737
Culture and Recreation	800
Housing and Development	7,136
Total Governmental Activities Depreciation Expense	<u><u>\$ 1,220,737</u></u>

(10) Capital Assets (Continued)

[illegible]

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Business-Type Activities	
Water and Sewer Fund	\$ 2,003,130
Total Business-Type Activities Depreciation Expense	<u>\$ 2,003,130</u>

(11) Long-Term Debt

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

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Governmental Activities					
Compensated Absences	\$ 394,224	\$ 301,861	\$ (301,120)	\$ 394,965	\$ 301,491
Notes Payable	1,560,748	-	(255,669)	1,305,079	261,841
Net Pension Liability	1,677,030	4,655,930	-	6,332,960	-
Total OPEB Liability	2,103,112	159,878	-	2,262,990	-
Total Governmental Activities	\$ 5,735,114	\$ 5,117,669	\$ (556,789)	\$ 10,295,994	\$ 563,332
Business-Type Activities					
Compensated Absences	\$ 73,640	\$ 59,859	\$ (53,456)	\$ 80,043	\$ 56,658
Bonds Payable					
2018 Series	14,200,000	-	(445,000)	13,755,000	470,000
2019 Series	3,235,000	-	(515,000)	2,720,000	525,000
Premium on Bonds	1,084,556	-	(67,785)	1,016,771	67,875
Net Pension Liability	391,938	1,223,892	-	1,615,830	-
Total Business-Type Activities	\$ 18,985,134	\$ 1,283,751	\$ (1,081,241)	\$ 19,187,644	\$ 1,119,533

The governmental activities, compensated absences, net pension liability, and total OPEB liability are generally liquidated by the general fund. For business-type activities, compensated absences and net pension liability are liquidated by the applicable fund.

Governmental Activities

Notes Payable

In 2015, the City entered into a loan agreement for financing the acquisition of a fire truck. The loan agreement is in the amount of \$1,375,777 for 10 years with an interest rate of 2.52 percent. As of June 30, 2023, the outstanding principal on the loan is \$303,480.

In 2017, the City entered into a loan agreement with Branch Banking and Trust Company for the financing of the new City Hall. The loan agreement is in the amount of \$1,600,000 for 15 years with an interest rate of 2.190 percent. As of July 2017, the building was completed with a total cost of \$1,673,255. As of June 30, 2023, the outstanding principal on the loan is \$1,001,599.

Annual debt service requirements to maturity for the notes payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 261,841	\$ 28,662	\$ 290,503
2025	268,088	22,410	290,498
2026	116,988	16,014	133,002
2027	119,571	13,431	133,002
2028	122,211	10,791	133,002
2029-2032	416,380	15,876	432,256
Total	\$ 1,305,079	\$ 107,184	\$ 1,412,263

(11) Long-Term Debt (Continued)

Business-Type Activities

Water and Sewer Revenue Bonds

The Water and Sewer Fund has revenue bonds payable solely from revenues generated by fund activities. The bond indentures contain restrictions on the use of the bond proceeds and fund revenues as well as providing for sinking funds, renewal and extension funds and minimum fund operating requirements (revenue bond coverage). The revenue bonds have a first lien on and pledge of the water and sewer fund's net operating revenue. As of June 30, 2023, the City believes it was in compliance with all such significant financial limitations and restrictions.

Series 2018 Revenue Bonds

On June 28, 2018, the City issued Series 2018 Revenue Bonds in the amount of \$15,775,000. The bonds are due at various annual maturities through fiscal year 2038 with various yields ranging from 3 percent to 5 percent. The proceeds from the 2018 Bond Series were used to defease outstanding 2012 Revenue Bonds of \$2,725,000 and to fund the construction of the \$14 million wastewater treatment facility expansion project. The Series 2012 Revenue Bonds are considered defeased as of June 30, 2018. As of June 30, 2023, the outstanding principal on the Series 2018 Bonds is \$13,755,000.

Series 2019 Revenue Bonds

On June 28, 2019, the City issued Series 2019 Revenue Bonds in the amount of \$4,500,000. The bonds have a maturity date of June 1, 2028, with an interest rate of 1.81 percent. The proceeds from the 2019 Bond Series were used to fund the construction of the wastewater treatment facility expansion project. As of June 30, 2023, the outstanding principal on the Series 2019 Bonds is \$2,720,000.

The following summarizes the debt service requirements of the revenue bonds:

Fiscal Year Ending				
June 30,	Principal	Interest	Total	
2024	\$ 995,000	\$ 625,432	\$ 1,620,432	
2025	1,025,000	592,430	1,617,430	
2026	1,060,000	558,246	1,618,246	
2027	1,095,000	522,632	1,617,632	
2028	1,125,000	490,086	1,615,086	
2029-2033	5,035,000	1,858,200	6,893,200	
2034-2038	6,140,000	755,800	6,895,800	
Total	\$ 16,475,000	\$ 5,402,826	\$ 21,877,826	

(12) Pension Plan

Plan Description

The City's defined benefit pension plan, City of Loganville Retirement Plan (the Plan), was established by an adoption agreement executed by City Council. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS) an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report on GMEBS that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, Atlanta, Georgia, 30303-3606.

(12) Pension Plan (Continued)

Benefits Provided

The GMEBS Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Effective January 1, 2017, the Plan was amended to provide for immediate participation for employees. This change has no impact on service credited under the Plan and has no impact on benefits.

Employees Covered by the Plan

Inactive Employees (or Their Beneficiaries) Currently Receiving Benefits	54
Inactive Employees Entitled to but not yet Receiving Benefits	77
Active Employees	<u>140</u>
Total	<u><u>271</u></u>

Contributions

The plan members are not required to contribute to the plan. The City is required to contribute at an actuarially determined rate; the current rate is 17.70 percent of annual covered payroll. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees.

Actuarial Assumptions

The total pension liability as of June 30, 2023, was determined by an actuarial valuation as of January 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increase	2.25% plus service based merit increases
Investment Rate of Return	7.375% - On-going basis, based on long-term investments expected rate of return on pension plan investments

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25, Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25, and the Sex-distinct Pri-2012 head-count weighted Employee Mortality Table. Plan termination basis (all lives) is based on 1994 Group Annuity Reserving Unisex Table.

The mortality tables (other than the one used for the plan termination basis) are projected generationally from 2012 to future years using 60 percent of the sex-distinct improvement rates under the 2019 OASDI Trustees Report used for the intermediate alternative.

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. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation.

(12) Pension Plan (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45.00%	6.40%
International Equity	20.00%	6.80%
Domestic Fixed Income	20.00%	0.40%
Real Estate	10.00%	3.90%
Global Fixed Income	5.00%	0.46%
Cash	0.00%	
Total	100.00%	

Discount Rate

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

Net Pension Liability

Changes in the Net Pension Liability

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

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2022	\$ 23,367,611	\$ 21,298,643	\$ 2,068,968
Changes for the Year			
Service Cost	483,764	-	483,764
Interest	1,727,444	-	1,727,444
Difference Between Expected and Actual Experience	1,133,831	-	1,133,831
Contributions - Employer	-	1,016,244	(1,016,244)
Net Investment Income	-	(3,520,368)	3,520,368
Benefit Payments	(856,821)	(856,821)	-
Administrative Expense	-	(30,659)	30,659
Net Changes	2,488,218	(3,391,604)	5,879,822
Balances at June 30, 2023	\$ 25,855,829	\$ 17,907,039	\$ 7,948,790

The City's net pension liability is recorded in the Governmental Activities and Business-Type Activities in the amounts of \$6,332,960 and \$1,615,830, respectively.

(12) Pension Plan (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's net pension liability calculated using the discount rate of 7.375 percent, 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 percent) or 1-percentage-point higher 8.375 percent) than the current rate:

	1% Decrease 6.375%	Current discount rate 7.375%	1% Increase 8.375%
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	\$ 11,648,678	\$ 7,948,790	\$ 4,879,035

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued GMEBS financial report which is publicly available at www.gmanet.com.

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

At June 30, 2023, the City reported a net pension liability. The net pension liability was measured as of September 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2023. An expected total pension liability as of September 30, 2022, was determined using standard roll-forward techniques.

For the year ended June 30, 2023, the City recognized pension expense relative to GMEBS in the amount of \$844,158. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,645,509	\$ -
Changes of Assumptions	311,778	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,332,230	-
Employer Contributions Subsequent to the Measurement Date	1,293,694	-
Total	\$ 5,583,211	\$ -

City contributions subsequent to the measurement date of September 30, 2022, of the net pension liability, but before the end of the City's reporting period, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Year	Amount
2024	\$ 1,373,596
2025	826,476
2026	843,501
2027	1,245,944

(13) Special Funding Defined Benefit Pension Plans

The City's policemen are also covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The City makes no contribution to this plan. Contributions are collected by the City as the agent for this fund through its municipal court system. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained. This plan is considered immaterial to the City's financial statements.

The City's Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The City makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and non-employer contributions which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia where separate financial statements may be obtained. This plan is considered immaterial to the City's financial statements.

(14) Other Post-Employment Benefits (OPEB) Plan

Plan Description

The City provides postemployment medical, prescription drug, and dental benefits to retirees through the City of Loganville's OPEB Plan, a defined benefit, single employer OPEB plan. This plan is established by an adoption agreement executed by City Council. The Plan is administered by the GMEBS, a statewide, agent multiple-employer type plan that is administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report on GMEBS that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, Atlanta, Georgia, 30303-3606.

Benefits Provided

The City provides medical and prescription drug and dental benefits to retirees. Coverage is for future retirees who retire after meeting the rule of 80 with at least 20 years of service with the City of Loganville with plan participation ending at age 65 or eligibility for Medicare, whichever comes first. Retirees have a premium that is blended with the active premium, and future retirees pay the full cost of the active premium. Thus, there is an implicit subsidy for prospective retirees.

Employees who retired prior to February 1, 2022, between the ages of 60 and 65, receive subsidized coverage for themselves and their spouses until the retiree attains age 65. At age 65, retirees are assumed to enroll in Medicare. Employees who retired before 2016 did not have any age restrictions and are eligible for lifetime coverage. As of the Valuation Date, there were three such participants who are eligible for post-65 coverage.

Employees Covered by Benefits Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Retired Members or Beneficiaries Currently Receiving Benefits	5
Vested Terminated Members Entitled to but not yet Receiving Benefits	-
Active Members	133
Total	<u>138</u>

(14) Other Post-Employment Benefits (OPEB) Plan (Continued)

Contributions

Membership in the Plan by City retirees is voluntary. The authority to establish and amend the benefit provisions of the OPEB plan rests with the City. The employer does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets. The City contributed \$112,360 toward OPEB benefits in the year ended June 30, 2023.

Actuarial Assumptions

The City's total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	3.00% to 8.50%, including inflation
Discount Rate	3.54%
Healthcare Cost Trend Rates	Medical: 10.00% for 2022, then 6.75% trended down to 4.50% by 2032
	Prescription Drug: 10.00% for 2022, then 6.75 trended down to 4.50% by 2032
	Dental: 0.00% for 2022, then 3.00% thereafter

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

The actuarial assumptions used in the January 1, 2022 valuation measured on June 30, 2022, were based on the results of an experience study for the period July 1, 2015 to June 30, 2019. Consistent with the provisions of GASB 75, the assets and liabilities measured as of June 30, 2021 are not adjusted or rolled forward to the June 30, 2023 reporting date.

Discount Rate

The discount rate used to measure the net OPEB liability was 3.54 percent. This was an increase from the prior discount rate of 2.16 percent. This rate was determined using a yield or index rate of 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent of another rating scale), which was 3.54 percent as determined by the Bond Buyer 20-Bond GO Index Rate published closest to, but not later than, the measurement date of June 30, 2022.

Total OPEB Liability

At June 30, 2023, the City reported a net OPEB liability. The total OPEB liability was measured as of June 30, 2022, and was based on an actuarial valuation as of January 1, 2022. An expected net OPEB liability as of June 30, 2023, was determined using standard roll-forward techniques.

(14) Other Post-Employment Benefits (OPEB) Plan (Continued)***Changes in the Total OPEB liability of the City***

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

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance June 30, 3022	\$ 2,103,112	\$ -	\$ 2,103,112
Changes			
Service Cost	53,654	-	53,654
Interest	45,713	-	45,713
Change of Benefit Terms	186,481	-	186,481
Differences Between Expected and Actual Experience	154,856	-	154,856
Contributions - Employer	-	81,279	81,279
Change of Assumptions	(199,547)	-	(199,547)
Benefit Payments	(81,279)	(81,279)	(162,558)
Net Change in OPEB Liability	159,878	-	159,878
Balance June 30, 3023	\$ 2,262,990	\$ -	\$ 2,262,990

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

The following presents the City's total OPEB liability calculated using the discount rate of 3.54 percent, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Sensitivity of the Total OPEB Liability to Changes in the Discount Rate	\$ 2,552,656	\$ 2,262,990	\$ 2,018,341

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates

	1% Decrease	Current Healthcare Cost Trend rates	1% Increase
Sensitivity of the Total OPEB Liability to Changes in the Discount Rate	\$ 2,015,203	\$ 2,262,990	\$ 2,447,903

(14) Other Post-Employment Benefits (OPEB) Plan (Continued)

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense relative to GMEBS in the amount of \$379,327. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions or Other Inputs	\$ 560,878	\$ 279,097
Difference Between Expected and Actual Experience	344,563	11,559
Employer Contributions Subsequent to the Measurement Date	110,674	-
Total	\$1,016,115	\$ 290,656

City contributions subsequent to the measurement date of June 30, 2021 of the total OPEB liability, but before the end of the City's reporting period, are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

Year	Amount
2024	\$ 194,550
2025	194,550
2026	195,149
2027	30,771
2028	28,001
Thereafter	(28,236)

(15) Risk Management

The City is exposed to various risks of loss related to torts, personal property (i.e., theft, damage, and destruction), and injury to employees. The City carries commercial insurance for these various risks. Losses relative to these risks are limited to a \$500 to \$7,500 deductible provided for in the contracts. During the past three years, settlements have not exceeded the coverages.

The City has joined with other municipalities in the state as part of GIRMA and the Worker's Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as a common risk management and insurance program for member local governments. The Georgia Municipal Association administers both risk pools. 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 pools' 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 pools' 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 governments' contract and in accordance with the Workers' Compensation laws of Georgia. The funds are to pay all costs taxed against members in any legal proceedings defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

(16) Contingent Liabilities

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

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

(17) Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the twelve county Northeast Georgia area, is a member of the Northeast Georgia Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by O.C.G.A. 50-8-34 which provides for the organization structure of the RC in Georgia. RC board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30610

(18) Related Organizations

The Mayor of the City of Loganville, Georgia is responsible for appointing a member to the City of Loganville Housing Authority. The Loganville Housing Authority has a six-member board with staggered terms. The City is also responsible for appointing board members to the O'Kelly Loganville Library Board. The City's accountability for these organizations does not extend beyond making the appointments.

(19) Hotel / Motel Taxes

The City levies and collects a five percent lodging tax which is reported in the Hotel / Motel Tax special revenue fund. The City retains approximately 60 percent of the funds collected. During fiscal year 2023, the City collected \$85,716 in hotel / motel taxes and expended \$31,305 for tourism related expenditures.

The City has created a tourism department in the General Fund and expended \$342,416 for tourism in 2023. Total expenditures relative to tourism for 2023 were more than the current year collection of hotel motel taxes.

(20) General Fund Transportation Expenditures

Amounts expended on transportation include transportation maintenance and operation costs and correspond with classification and subclassification specified in the local government uniform chart of accounts under subsection (e) of Code Section 36-81-3 within section 4200, including noncapital expenditures within section 4210-4290.

Total General Fund Expenditures within these categories totaled \$1,047,127 for the current fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LOGANVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE FISCAL YEARS ENDED JUNE 30, 2023

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service Cost	\$ 483,764	\$ 499,028	\$ 439,934	\$ 395,153	\$ 409,471	\$ 418,665	\$ 407,113	\$ 369,509	\$ 369,372
Interest	1,727,444	1,569,883	1,454,050	1,239,179	1,177,511	1,053,906	969,777	836,265	770,561
Differences Between Expected and Actual Experience	1,133,831	864,573	270,326	557,852	(170,738)	465,087	135,664	917,512	(26,714)
Changes in Assumptions	-	-	-	1,558,892	-	259,522	-	-	112,245
Benefit Payments, Including Refunds of Employee Contributions	(856,821)	(706,801)	(598,766)	(605,848)	(553,531)	(457,050)	(396,979)	(404,141)	(351,177)
Net Change in Total Pension Liability	2,488,218	2,226,683	1,565,544	3,145,228	862,713	1,740,130	1,115,575	1,719,145	874,287
Total Pension Liability - Beginning	23,367,611	21,140,928	19,575,384	16,430,156	15,567,443	13,827,313	12,711,738	10,992,593	10,118,306
Total Pension Liability - Ending	\$ 25,855,829	\$ 23,367,611	\$ 21,140,928	\$ 19,575,384	\$ 16,430,156	\$ 15,567,443	\$ 13,827,313	\$ 12,711,738	\$ 10,992,593
Plan Fiduciary Net Position									
Contributions - Employer	\$ 1,016,244	\$ 846,256	\$ 905,401	\$ 1,242,065	\$ 743,211	\$ 688,149	\$ 571,233	\$ 527,013	\$ 508,162
Net Investment Income	(3,520,368)	4,138,322	1,492,573	469,015	1,272,072	1,659,233	1,084,978	101,507	957,563
Benefit Payments, Including Refunds of Employee Contributions	(856,821)	(706,801)	(598,766)	(605,848)	(553,531)	(457,050)	(396,979)	(404,141)	(351,177)
Administrative Expense	(30,659)	(29,882)	(27,549)	(26,124)	(27,196)	(28,013)	(16,227)	(17,785)	(13,904)
Net Change in Fiduciary Net Position	(3,391,604)	4,247,895	1,771,659	1,079,108	1,434,556	1,862,319	1,243,005	206,594	1,100,644
Plan Fiduciary Net Position - Beginning	21,298,643	17,050,748	15,279,089	14,199,981	12,765,425	10,903,106	9,660,101	9,453,507	8,352,863
Plan Fiduciary Net Position - Ending	\$ 17,907,039	\$ 21,298,643	\$ 17,050,748	\$ 15,279,089	\$ 14,199,981	\$ 12,765,425	\$ 10,903,106	\$ 9,660,101	\$ 9,453,507
Net Pension Liability - Ending	\$ 7,948,790	\$ 2,068,968	\$ 4,090,180	\$ 4,296,295	\$ 2,230,175	\$ 2,802,018	\$ 2,924,207	\$ 3,051,637	\$ 1,539,086
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	69.26%	91.15%	80.65%	78.05%	86.43%	82.00%	78.85%	75.99%	86.00%
Covered-Employee Payroll	\$ 6,976,677	\$ 6,160,834	\$ 6,143,777	\$ 5,555,067	\$ 4,691,061	\$ 4,967,243	\$ 4,737,027	\$ 4,579,778	\$ 3,878,226
Net Pension Liability as a Percentage of Covered-Employee Payroll	113.93%	33.58%	66.57%	77.34%	47.54%	56.41%	61.73%	66.63%	39.69%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**CITY OF LOGANVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE FISCAL YEARS ENDED JUNE 30, 2023**

SCHEDULE OF PENSION CONTRIBUTIONS

	2023*	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ -	\$ 1,058,259	\$ 993,732	\$ 923,188	\$ 774,540	\$ 809,525	\$ 721,106	\$ 535,923	\$ 524,023
Contributions in Relation to the Actuarially Determined Contribution	-	1,058,259	993,732	923,188	774,540	809,525	721,106	535,923	524,023
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered-Employee Payroll	\$ -	\$ 6,228,717	\$ 6,210,825	\$ 5,618,917	\$ 4,754,696	\$ 5,034,359	\$ 4,813,792	\$ 4,579,778	\$ 3,878,226
Contributions as a Percentage of Covered-Employee Payroll	0.00%	16.99%	16.00%	16.43%	16.29%	16.08%	14.98%	11.70%	13.51%

*2023 information will be determined after fiscal-year end and will be included in the 2024 valuation report.

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

CITY OF LOGANVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE FISCAL YEARS ENDED JUNE 30, 2023

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 53,654	\$ 55,606	\$ 24,380	\$ 33,215	\$ 6,410	\$ 7,456
Interest	45,713	49,086	61,846	66,962	12,785	11,171
Differences Between Expected and Actual Experience	154,856	(5,396)	326,562	(6,454)	(11,421)	19,858
Changes in Benefit Terms	186,481	-	-	-	75,017	-
Changes in Assumptions	(199,547)	(131,112)	78,645	28,612	1,326,444	(24,650)
Benefit Payments, Including Refunds of Employee Contributions	(81,279)	(60,811)	(76,023)	(78,142)	(47,638)	(47,638)
Net Change in Total Pension Liability	159,878	(92,627)	415,410	44,193	1,361,597	(33,803)
Total OPEB Liability - Beginning	2,103,112	2,195,739	1,780,329	1,736,136	374,539	408,342
Total OPEB Liability - Ending	\$ 2,262,990	\$ 2,103,112	\$ 2,195,739	\$ 1,780,329	\$ 1,736,136	\$ 374,539
Plan Fiduciary Net Position						
Contributions-Employer	\$ 81,279	\$ 60,811	\$ -	\$ -	\$ -	\$ -
Benefit Payments, Including Refunds of Member Contributions	(81,279)	(60,811)	-	-	-	-
Net Change in Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 6,160,834	\$ 5,680,056	\$ 5,555,067	\$ 4,691,061	\$ 4,967,243	\$ 4,579,778
Total OPEB Liability as a Percentage of Covered-Employee Payroll	36.73%	37.03%	39.53%	37.95%	34.95%	8.18%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**CITY OF LOGANVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM
FOR THE FISCAL YEARS ENDED JUNE 30, 2023**

SCHEDULE OF OPEB CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	81,279	60,811	76,023	78,142	47,638	47,638
Contribution Deficiency (Excess)	\$ (81,279)	\$ (60,811)	\$ (76,023)	\$ (78,142)	\$ (47,638)	\$ (47,638)
City's Covered-Employee Payroll	\$ 6,160,834	\$ 5,680,056	\$ 5,555,067	\$ 4,691,061	\$ 4,962,292	\$ 4,579,778
Contributions as a Percentage of Covered Payroll	1.32%	1.07%	1.37%	1.67%	0.96%	1.04%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

CITY OF LOGANVILLE, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

1. Georgia Municipal Employee Benefit System Defined Benefit Plan

Changes of Assumptions

There were no changes in assumptions in the last two fiscal years.

Benefit Changes

There were no changes in benefit provisions in the last two fiscal years.

Valuation date

The actuarially determined contribution was determined as of January 1, 2023 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending June 30, 2024.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Closed level dollar for the remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 12 years.
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 percent of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20 percent of market value.

Actuarial Assumptions:

Net Investment Rate of Return	7.375 percent
Projected Salary Increases	2.25 percent plus service-based merit increases
Cost of Living Adjustments	N/A
Retirement Age	Ages 55-59 rate of 5%, age 60 rate of 7%, age 61 rate of 7%, Age 62 rate of 20%, age 63 rate of 10, age 64 rate of 10%, age 65 rate of 35%, ages 66-71 rate of 25%, and ages 72 and over rate of 100%
Mortality	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25 Sex-distinct Pri-2012 head-count weighted Disable Retiree Mortality Table with rates multiplied by 1.25. Sex-distinct Pri-2012 head-count weighted Employee Mortality Table for active participants, terminated vested participants, and deferred beneficiaries 1994 Group Annuity Reserving Unisex Table for Plan termination basis (all lives)

2. Georgia Municipal Employee Benefit System OPEB Plan

Changes of Assumptions

- Medical, prescription drug, and dental claim costs were updated to reflect most recent experience.
- Medical, prescription drug, and dental trend rates were updated to reflect most recent experience.
- The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender, and status (active vs retired) from Segal's claims data warehouse.
- The discount rate effective for June 30, 2022 was 3.54 percent, and effective for June 30, 2021 was 2.16 percent.

Benefit Changes

- Increased In Network PPO Out of Pocket (OOP) from \$1,500 Individual / \$3,000 Family to \$2,000 Individual / \$4,000 Family.
- Increased Out of Network PPO OOP from \$3,000 Individual / \$6,000 Family to \$3,500 Individual / \$7,000 Family.
- Increased HMO Deductible from \$0 to \$250 Individual / \$750 Family.
- Increased HMO OOP from \$1,000 Individual / \$2,000 Family to \$1,500 Individual / \$3,000 Family.
- Effective February 1, 2022, each employee who retires meeting the rule of 80 with at least 20 years of service with the City of Loganville may continue their health insurance coverage for themselves and their spouses until retiree attains age 65 or eligibility for Medicare, whichever comes first. The City will contribute \$500 per month to the plan cost, the retiree will be responsible for the remainder of the cost.

Valuation date January 1, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Level Percent of Pay
Asset valuation method	Market Value

Actuarial Assumptions:

Net Investment Rate of Return	3.54 percent
Payroll Increases	2.25 percent
Projected Salary Increases	3.00 percent to 8.50 percent, including inflation
Retirement Age for inactive vested participants	Employees: 65+5, Rule of 80 Officials: 65, Rule of 80 <ul style="list-style-type: none">• Rule of 80 with no minimum age requirement is effective 7-1-05 (participant is required to be in the service of the Employer at the time of satisfying the Rule of 80)• NOTE: effective 8-1-05, prior service with other GMEBS members counts towards meeting Rule of 80
Mortality	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25 Sex-distinct Pri-2012 head-count weighted Disable Retiree Mortality Table with rates multiplied by 1.25. Sex-distinct Pri-2012 head-count weighted Employee Mortality Table

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SUPPLEMENTARY INFORMATION

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CITY OF LOGANVILLE, GEORGIA

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Confiscated Assets Fund – This fund accounts for cash received from the sale of confiscated assets and confiscated assets that are no longer subject to court jurisdiction.

Hotel /Motel Tax Fund – This fund accounts for the hotel/motel taxes collected and expenditures relative to tourism.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

2017 Special Purpose Local Option Sales Tax Fund (SPLOST) – This fund is used to account for the construction and improvements in accordance with the sales tax referendum.

2023 Special Purpose Local Option Sales Tax Fund (SPLOST) – This fund is used to account for the construction and improvements in accordance with the sales tax referendum.

Capital Recovery Impact Fee Construction Fund – This fund accounts for impact fees charges per the City of Loganville Capital Recovery Fee Ordinance for system improvements to the Water and Sewer Fund.

**CITY OF LOGANVILLE, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Special Revenue Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
	Confiscated Assets	Hotel / Motel Tax	2017 SPLOST	2023 SPLOST	Capital Recovery Impact Fee	
Assets						
Cash and Cash Equivalents	\$ 117,664	\$ 50,372	\$ 1,929,303	\$ 60,511	\$ 3,499,601	\$ 5,657,451
Receivables, Net of Allowance						
Taxes	-	19,708	-	-	-	19,708
Due from Other Governments	66	-	-	127,906	-	127,972
Due from Other Funds	-	-	-	-	128,848	128,848
Total Assets	\$ 117,730	\$ 70,080	\$ 1,929,303	\$ 188,417	\$ 3,628,449	\$ 5,933,979
Liabilities						
Accounts Payable	\$ 17,548	\$ 3,265	\$ 79,373	\$ -	\$ -	\$ 100,186
Retainages Payable	-	-	82,272	-	-	82,272
Due to Other Funds	36,584	12,103	9,574	-	-	58,261
Total Liabilities	54,132	15,368	171,219	-	-	240,719
Fund Balance						
Restricted	63,598	54,712	1,758,084	188,417	3,628,449	5,693,260
Total Fund Balances	63,598	54,712	1,758,084	188,417	3,628,449	5,693,260
Total Liabilities and Fund Balances	\$ 117,730	\$ 70,080	\$ 1,929,303	\$ 188,417	\$ 3,628,449	\$ 5,933,979

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

	Special Revenue Funds		Capital Projects Funds			Total
	Confiscated	Hotel /	2017	2023	Capital	Nonmajor
	Assets	Motel	SPLOST	SPLOST	Recovery	Governmental
		Tax			Impact Fee	Funds
Revenues						
Hotel / Motel Taxes	\$ -	\$ 85,716	\$ -	\$ -	\$ -	\$ 85,716
Intergovernmental	-	-	472,523	188,590	-	661,113
Charges for Services	-	-	-	-	856,057	856,057
Fines and Forfeitures	42,254	-	-	-	-	42,254
Investment Earnings	-	-	2,809	-	19,258	22,067
Total Revenues	42,254	85,716	475,332	188,590	875,315	1,667,207
Expenditures						
Current						
Public Safety	69,703	-	-	-	-	69,703
Public Works	-	-	-	173	-	173
Housing and Development	-	31,305	-	-	-	31,305
Capital Outlay	-	-	863,980	-	14,897	878,877
Total Expenditures	69,703	31,305	863,980	173	14,897	980,058
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	(27,449)	54,411	(388,648)	188,417	860,418	687,149
Other Financing Sources Uses)						
Transfers Out	-	(52,424)	-	-	-	(52,424)
Net Change in Fund Balances	(27,449)	1,987	(388,648)	188,417	860,418	634,725
Fund Balances - Beginning	91,047	52,725	2,146,732	-	2,768,031	5,058,535
Fund Balances - Ending	\$ 63,598	\$ 54,712	\$ 1,758,084	\$ 188,417	\$ 3,628,449	\$ 5,693,260

CITY OF LOGANVILLE, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 105,000	\$ 42,254	\$ (62,746)
Total Revenues	105,000	42,254	(62,746)
Expenditures			
Current			
Public Safety	105,000	69,703	35,297
Total Expenditures	105,000	69,703	35,297
Net Change in Fund Balance	-	(27,449)	(27,449)
Fund Balances - Beginning	91,047	91,047	-
Fund Balances - Ending	\$ 91,047	\$ 63,598	\$ (27,449)

CITY OF LOGANVILLE, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues			
Taxes	\$ 58,000	\$ 85,716	\$ 27,716
Total Revenues	<u>58,000</u>	<u>85,716</u>	<u>27,716</u>
Expenditures			
Current			
Housing and Development	31,305	31,305	-
Total Expenditures	<u>31,305</u>	<u>31,305</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>26,695</u>	<u>54,411</u>	<u>27,716</u>
Other Financing Sources (Uses)			
Transfers Out	(52,424)	(52,424)	-
Net Change in Fund Balance	(25,729)	1,987	27,716
Fund Balance - Beginning	<u>52,725</u>	<u>52,725</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 26,996</u></u>	<u><u>\$ 54,712</u></u>	<u><u>\$ 27,716</u></u>

**CITY OF LOGANVILLE, GEORGIA
BALANCE SHEET
LOGANVILLE DEVELOPMENT AUTHORITY
COMPONENT UNIT
JUNE 30, 2023**

Assets

Cash and Cash Equivalents	\$ 36,716
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Total Assets	<u>\$ 36,716</u>
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Liabilities

Accounts Payable	\$ -
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Total Liabilities	<u>-</u>
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Fund Balance

Unassigned	<u>36,716</u>
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Total Fund Balance	<u>36,716</u>
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Total Liabilities and Fund Balance	<u>\$ 36,716</u>
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**CITY OF LOGANVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
LOGANVILLE DEVELOPMENT AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Revenues	
Contributions from Private Sources	\$ 975
	<hr/>
Total Revenues	975
	<hr/>
Expenditures	
Current	
Housing and Development	2,809
	<hr/>
Total Expenditures	2,809
	<hr/>
Net Change in Fund Balance	(1,834)
Fund Balance - Beginning	38,550
	<hr/>
Fund Balance - Ending	\$ 36,716
	<hr/> <hr/>

CITY OF LOGANVILLE, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2017
PASSED THROUGH FROM GWINNETT COUNTY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Recreational Facilities and Equipment	\$ 1,196,902	\$ 53,034	\$ -	\$ 53,034
Transportation	926,471	101,496	550,303	651,799
Water and Sewer Capital Improvements	380,604	231,540	313,677	545,217
	<u>\$ 2,503,977</u>	<u>\$ 386,070</u>	<u>\$ 863,980</u>	<u>\$ 1,250,050</u>

CITY OF LOGANVILLE, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2019
PASSED THROUGH FROM WALTON COUNTY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Transportation	\$ 3,218,898	\$ 189,471	\$ 877	\$ 190,348
Public Safety	2,354,726	431,711	361,420	793,131
Parks and Recreation	226,193	-	-	-
	<u>\$ 5,799,817</u>	<u>\$ 621,182</u>	<u>\$ 362,297</u>	<u>\$ 983,479</u>

CITY OF LOGANVILLE, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2023
PASSED THROUGH FROM GWINNETT COUNTY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Public Safety Facilities and Equipment	\$ 600,000	\$ -	\$ -	\$ -
Recreational Facilities and Equipment	750,000	-	-	-
Transportation	2,559,746	-	173	173
Water and Sewer Capital Improvements	574,642	-	-	-
	<u>\$ 4,484,388</u>	<u>\$ -</u>	<u>\$ 173</u>	<u>\$ 173</u>

GOVERNMENTAL REPORT

March 4, 2024

**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 Loganville, 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 (*Government Auditing Standards*), 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 Loganville, Georgia** (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 4, 2024.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001 that we consider to be a material weakness.

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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and responses as item 2023-002.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McNair, McLeMore, Middlebrooks & Co., LLC
McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

CITY OF LOGANVILLE, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDING JUNE 30, 2023

(1) Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	Yes

Federal Awards

There was not an audit of major federal award programs for the fiscal year ended June 30, 2023, due to the total amount expended being under \$750,000.

(2) Financial Statement Findings

Findings noted on the 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*:

2023-001 General Ledger Maintenance

CRITERIA

Timely and accurate financial reports are essential in order to perform analysis of the financial condition of the City, review data for accuracy and completeness, monitor compliance with budget appropriations, and to prepare annual financial statements.

CONDITION

Journal entries made during the year were not properly recorded and posting errors were noted in the general ledger. In addition, beginning fund balance did not reconcile with the prior year ending fund balance in certain funds.

CONTEXT

- Material audit adjustments were required to correct balances for the year ended June 30, 2023, as follows:
 - In the General Fund an adjustment of \$243,537 was required to correct the posting of prepaid insurance that was improperly posted to accounts payable.
 - In the American Rescue Plan Fund and Water and Sewer Fund, adjustments of \$310,898 were required to decrease expenditures/expenses and accounts payable for an invoice that was recorded twice.
 - In the 2017 SPLOST Fund, an adjustment of \$105,451 was required to increase beginning fund balance.
 - In the 2019 SPLOST Fund, an adjustment of \$444,245 was required to increase interfund receivables and intergovernmental revenue due to an accrual that was not posted properly.

(2) Financial Statement Findings (Continued)

2023-001 General Ledger Maintenance (Continued)

CONTEXT (CONTINUED)

- In the 2023 SPLOST Fund, an adjustment of \$255,812 was required to increase interfund receivables and intergovernmental revenue due to an accrual that was not properly posted.
- In the Water and Sewer Fund, an adjustment of \$960,000 was required to decrease bonds payables and decrease expenses for debt service payments not properly posted.

EFFECT

The City's accounting records contained material errors which were identified and corrected during the annual audit process.

CAUSE

The City did not have procedures in place to ensure the proper recording of journal entries and other transactions. Additionally, the City did not properly record prior year audit entries.

RECOMMENDATION

We recommend the City implement procedures to ensure all audit and journal entries are properly posted in the system. In addition, we recommend the City accounting personnel review monthly transactions for appropriateness.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management agrees with the finding. The City will implement procedures to include reviewing monthly transactions as part of the monthly close-out process. In addition, the City will implement procedures to ensure adequate postings in the general ledger and procedures for reconciling fund balances.

(3) Compliance Findings

2023-002 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3)

CRITERIA

In order to comply with the applicable legal requirements regarding budgets, procedures must exist to properly monitor compliance with the State law. Georgia Code (36-81-3) requires an annual balanced budget for the General Fund and each Special Revenue Fund.

CONDITION

The expenditures in the City's American Rescue Plan – Major Special Revenue Fund exceeded appropriations by \$314,305.

CONTEXT

The expenditures in the City's American Rescue Plan – Major Special Revenue Fund exceeded appropriations by \$314,305.

EFFECT

The City is not in compliance with State law.

CAUSE

The City failed to properly monitor the status of budgeted expenditures.

(3) Compliance Findings (Continued)

2023-002 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3) (Continued)

RECOMMENDATION

We recommend the City develop procedures to more closely monitor budgeted expenditures during the year and adopt budget amendments for expenditures exceeding appropriations at year-end.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management agrees with the finding. The City will implement procedures to more closely monitor budgeted expenditures and make budget amendments as necessary.