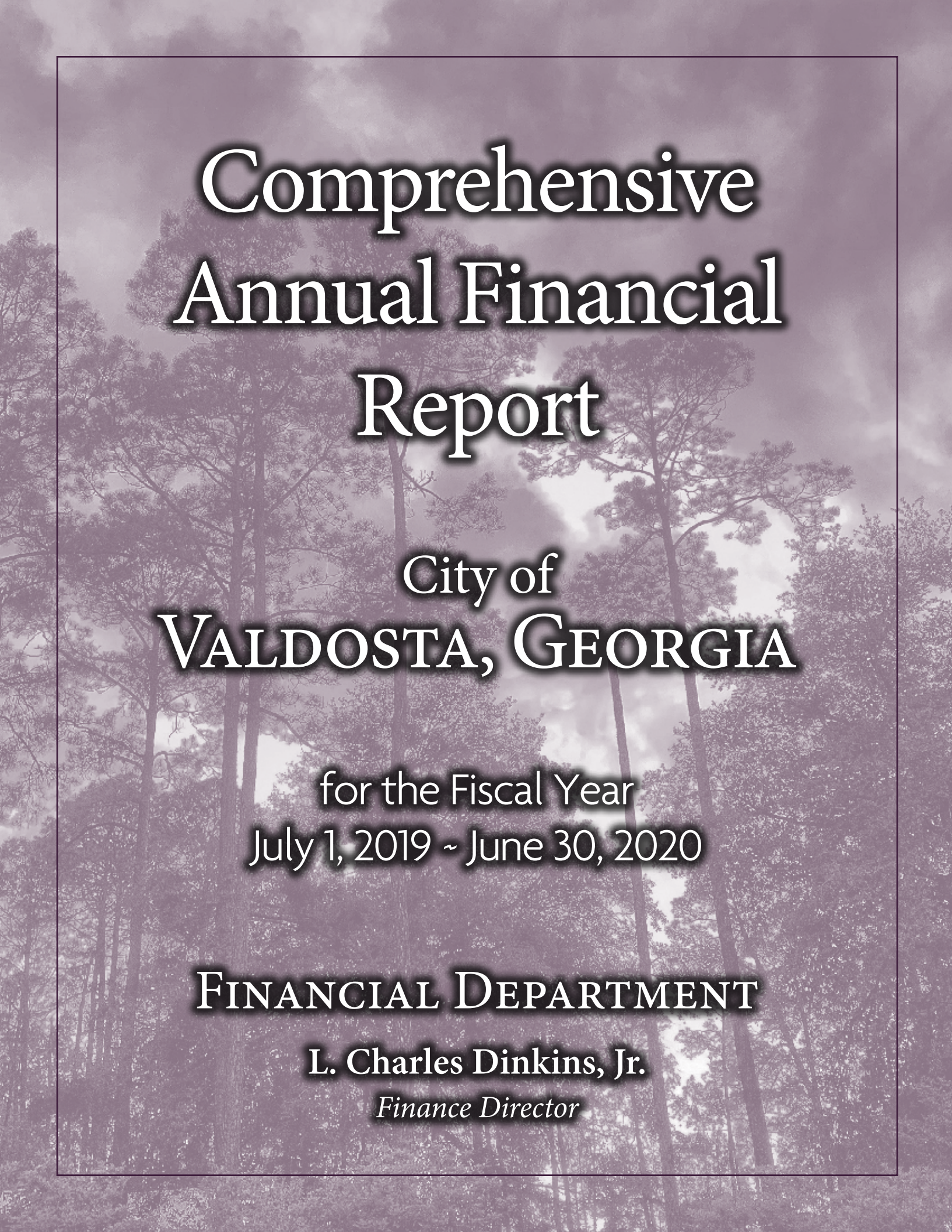




City of
VALDOSTA, GEORGIA
Comprehensive Annual Financial Report

Fiscal Year Ending June 30, 2020



Comprehensive Annual Financial Report

City of
VALDOSTA, GEORGIA

for the Fiscal Year
July 1, 2019 ~ June 30, 2020

FINANCIAL DEPARTMENT

L. Charles Dinkins, Jr.

Finance Director

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Introduction



CITY OF VALDOSTA, GEORGIA

FINANCE DEPARTMENT

L. CHARLES DINKINS, JR.
FINANCE DIRECTOR

December 31, 2020

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

In accordance with State Statutes and Section 4.51 of the Charter of Valdosta, Georgia, the Comprehensive Annual Financial Report for the fiscal year 2019 is submitted herewith. Responsibility for both the accuracy of the data and the thoroughness and fairness of presentation including all disclosures rests with the City of Valdosta. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

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

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

The City of Valdosta receives federal assistance through various federal grant programs. An audit in accordance with the Single Audit Act of 1984, P.C. 98-502, and Office of Management and Budget (OMB) Uniform Guidance, "Audits of State and Local Governments and Non-Profit Organizations," and "Government Auditing Standards" issued by the Comptroller General of the United States has been performed for the fiscal year ended June 30, 2020. The required reports on supplementary information, compliance, and internal controls along with various supplementary schedules will be included in the compliance section.

Reporting Entity

The City of Valdosta was originally incorporated by an Act of the General Assembly of Georgia on December 7, 1860 and since April 14, 1958 has operated under the Council-Manager form of government. The City provides a full range of services to some 56,500 residents. The daytime population of Valdosta soars to approximately 75,000. These

services include general administrative services, police and fire protection, sanitation, water and sewer services, the construction and maintenance of highways and streets, recreational activities and cultural events. The financial statements in this report include all of these functions and activities of the government.

In addition to the above listed activities, the City has financial accountability for other organizations based on its ability to appoint a voting majority of the organizations' governing bodies, and effectively impose its will on the organization. Also, financial accountability exists where there is potential for an organization to provide specific financial benefits to, or impose specific financial burdens on the City. Based upon the application of these criteria, the function and activities of the Central Valdosta Development Authority have been included in the financial statements. The Authority was established by act of the General Assembly of Georgia to redevelop and improve the central Valdosta area.

Valdosta is governed by a mayor and seven council members elected by the citizens. The Mayor serves a four-year term, and is the official spokesman for the City. Members of the City Council serve four-year staggered terms. Six district Councilmen represent specific districts within the territorial limits of Valdosta. One councilman at large is elected from all districts. The City Manager is appointed by the Mayor and confirmed by the Council, and is responsible for the day-to-day operation of the government.

Natural Features and Land Use

Valdosta is strategically located at the southern entrance to the State of Georgia on the major interstate highway system (I-75) linking the Great Lakes and Midwest areas with major recreation and vacation centers in Florida.

The City is growing an average of thirty-three percent each decade in physical size. A County comprehensive plan shows this trend continuing for the foreseeable future.

Historic buildings are located mostly in the central portion of Valdosta and include residential, commercial and public buildings. Private and public actions have identified the importance of historic resources. Both the private and the public sectors have renovated many buildings in the past several years.

The City's downtown area is enjoying 95% building occupancy. The newly revitalized central downtown area is home to commercial, public and most recently residential dwellings.

Population

The City's population has grown 25% in the last ten years. The City of Valdosta has the largest percentage of residents in Lowndes County with 48% percent of the entire population residing within the City limits of Valdosta.

Major regional facilities located in the City include a regional university, regional airport, regional hospital, and major industrial parks. About 65% of the jobs in Lowndes County

are located in Valdosta. Consequently, of the 10 largest employers in Lowndes County, 6 are located in the City of Valdosta.

Population density, a primary indicator of service delivery, is approximately 1,500 people per square mile in the City of Valdosta and only 180 people per square mile in the unincorporated area of Lowndes County.

Economic Condition and Outlook

Valdosta is clearly the economic engine of Lowndes County. Valdosta is the economic, social, cultural, retail and professional services anchor for not only Lowndes County, but for a statistical area with a population of 250,000 people. Because of the City's regional presence and results of the 2000 Census, the City was designated a Metropolitan Statistical Area (MSA) in June 2003. The area covers a four county region in South Georgia.

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

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

Education continues to be an economic resource to Valdosta. Valdosta State University, a senior unit of the University System of Georgia, offers undergraduate, graduate and doctoral degree programs in numerous areas. Total enrollment at the University is approximately 12,300 students. The university is projected to be a significant contributor to the local economy well into the future, however, as it expands, property purchased by the university is removed from the tax rolls because it is designated public property.

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

Even with the above mentioned positive attributes of the City's economy, the coronavirus pandemic, anemic and occasionally negative growth in the tax digest, lagging sales tax collection, and surging healthcare costs coupled with the increased demand upon public safety and other City services affect the City of Valdosta. Additionally the City has faced

the challenge of maintaining high quality services while operating under the enhanced safety requirements necessitated by the ongoing pandemic. In an effort to prevent depleting reserves to balance the annual budget, each department director is held accountable for their respective department's budget.

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

Major Initiatives

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

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

Looking to the Future

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

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

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

Cash Management

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

also prescribes selection criteria for investment instruments and maturities of investments.

Risk Management

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

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

Internal Controls

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

Independent Audit

The financial statements have been prepared in compliance with governmental financial reporting guidelines issued by the Government Finance Officers Association ("GFOA") of the United States and Canada and generally accepted accounting principles applicable to governmental entities. The State of Georgia requires an annual audit of all financial records and transactions of the City by independent certified public accountants selected by the Mayor and City Council. The accounting firm of Henderson and Godbee, LLC has completed an audit of the City's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2020 and their report on the basic financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can also be found in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Valdosta for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the thirty-second consecutive year the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an

easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

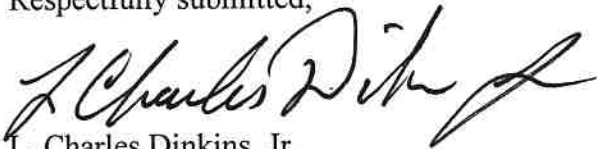
The City was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2020. This was the twentieth consecutive year the City has received this award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to earn this award, a government must publish a budget document which meets program criteria as a policy document, financial plan, operations guide, and as a communications device.

Both the Certificate of Achievement and the Distinguished Budget Award are valid for a period of one year. We believe our current Comprehensive Annual Financial Report and our 2021 fiscal year budget document continue to conform to the requirements for each award.

Acknowledgements

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Charles Dinkins, Jr.", with a stylized flourish at the end.

L. Charles Dinkins, Jr.
Finance Director



Government Finance Officers Association

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

Presented to

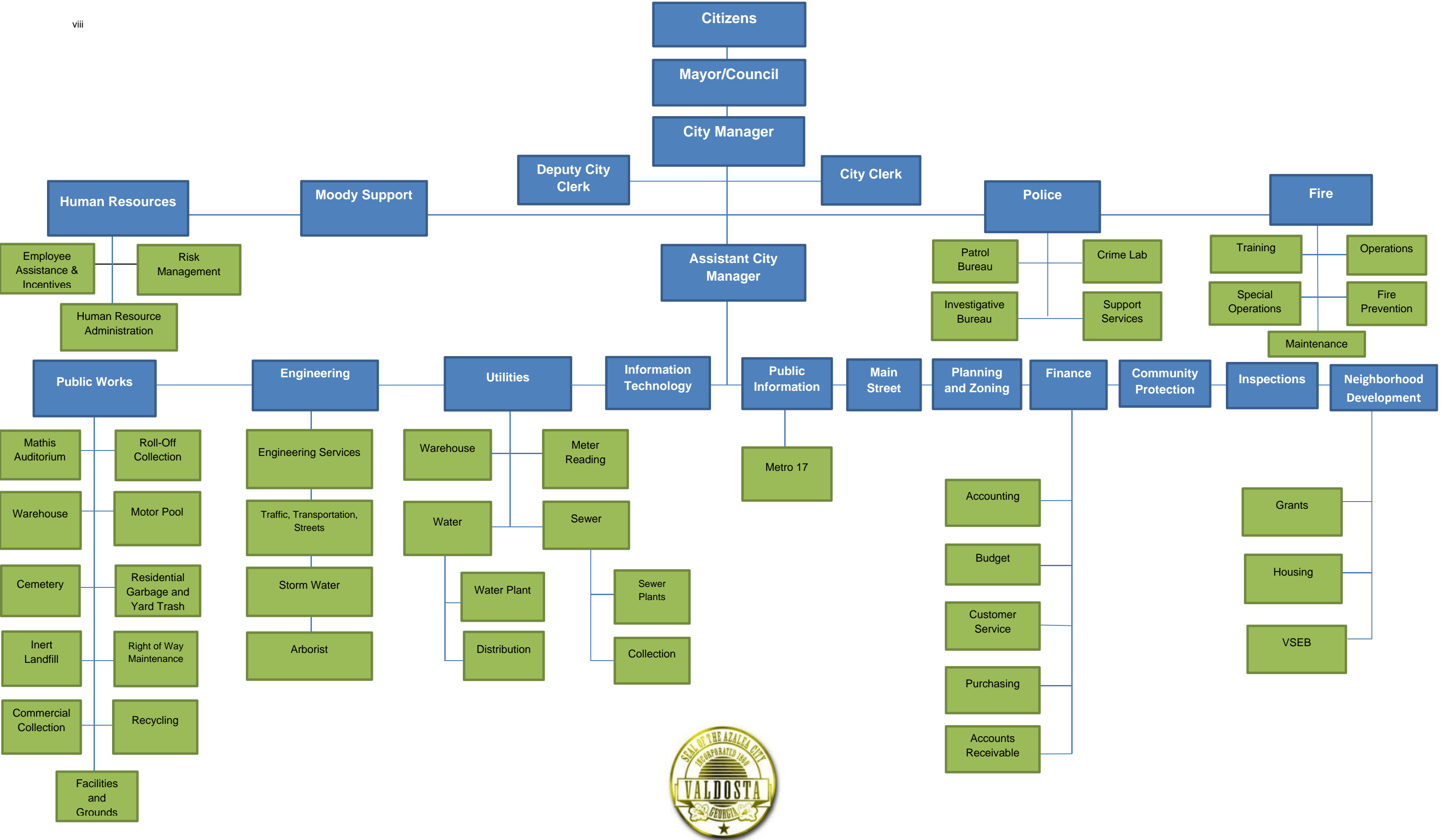
**City of Valdosta
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



APPROVED FY 2016-2017
ORGANIZATIONAL CHART

PRINCIPAL OFFICIALS CITY OF VALDOSTA, GEORGIA

Mayor

Scott James Matheson

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

Ben Norton
Vivian Miller-Cody
Sandra Tooley
Joseph Vickers
Eric Howard
Tim Carroll
Andy Gibbs

City Manager

L. Mark Barber

Clerk of Council
City Attorney
Municipal Court Judge
City Auditor

Teresa Bolden
Tim Tanner
Vernita L. Bender
Henderson & Godbee, LLC

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

Catherine Nita
Patrick S. Collins
Brian Boutwell
Leslie Manahan
Daryl Muse
Richard Hardy
Chuck Dinkins



Henderson & Godbee, LLP

Certified Public Accountants and Business Consultants

Members of American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Valdosta, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia's, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 16), budgetary comparison information (on pages 76 through 78), and the schedules of historical pension and OPEB information and the related notes (on pages 79 through 82) be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Valdosta, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is also not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards 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. Such 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 non-major fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2020, on our consideration of the City of Valdosta, Georgia'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Valdosta, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Valdosta, Georgia's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Henderson & Godbee, LLP". The script is cursive and fluid.

Henderson & Godbee, LLP
Certified Public Accountants
Valdosta, Georgia

December 31, 2020

The background of the slide is a photograph of a forest with tall, thin trees, possibly pines or cypresses, reaching towards a bright sky. The entire image is overlaid with a semi-transparent blue filter. A thin blue rectangular border frames the entire content area.

Management's Discussion & Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Valdosta's Comprehensive Annual Financial Report presents a discussion and analysis of the City's financial performance during the fiscal year ending June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Valdosta exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$210.26 million. Of this amount, none may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental net position increased by \$1.31 million, primarily due to transfers to proprietary funds.
- The governmental activities revenue increased by \$.26 million or .48% and the net results from activities decreased \$3.97 million. The results of activities produced an increase in net position of \$1.31 million. Governmental expenses increased by \$3.06 million.
- The business-type activities revenue increased by \$1.53 million and the net results from activities increased by \$4.89 million. The results of activities produced an increase in net position of \$6.59 million.
- The total cost of all City programs increased by \$.87 million.
- The General Fund (the primary operating fund of the City) reflected on a current financial resource basis, reports a net increase in fund balance of \$.55 million.
- The City's total debt decreased \$7.90 million or 9.94%. The decrease is the result of accelerated principal payments to the Georgia Environmental Facilities Authority on debt issued to improve and expand the city's sewer system as well as routine amortization of all other debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure A-1

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Statements

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

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

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

Fund Financial Statements

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

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

The City of Valdosta utilizes three types of funds:

- **Governmental funds**—most of the City of Valdosta's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds

MANAGEMENT'S DISCUSSION AND ANALYSIS

statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City of Valdosta utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Capital Project Funds and Permanent Funds.

- **Proprietary funds**—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. Two types of proprietary funds exist: enterprise funds and internal service funds. The City of Valdosta's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. Internal service funds are used to report activities that provide supplies and services for the City's other programs and activities. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows are all required statements.
- **Agency Funds**—because Agency funds are custodial in nature, the only required financial statements are the Balance Sheet and the Statement of Changes in Assets and Liabilities. The measurement focus of Agency Funds is upon determination of financial position. Agency Funds are maintained on the accrual basis of accounting. Activities of this fund are not included in the Government-wide Statement of Activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY OF VALDOSTA AS A WHOLE

Net Position. The City of Valdosta's combined net position increased 3.90 percent from \$202.36 million at June 30, 2019 to \$210.26 million at June 30, 2020. (See table A-1.)

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2019	2020	2019	2020	2019	2020	2019 – 2020
Current and other assets	\$31.29	\$34.48	\$(3.47)	\$(3.10)	\$27.82	\$31.38	12.80%
Capital Assets	129.18	127.88	211.62	210.82	340.80	338.70	(.62%)
Total Assets	160.47	162.36	208.15	207.72	368.62	\$370.08	.40%
Deferred Outflows of Resources	6.93	24.50	-	-	6.93	24.50	253.54%
Long-term debt outstanding	4.54	3.89	74.98	67.73	79.52	71.62	(9.93%)
Other liabilities	79.07	102.29	3.30	3.53	82.37	105.82	28.47%
Total Liabilities	83.61	106.18	78.28	71.26	161.89	177.44	9.61%
Deferred Inflow of Resources	11.30	6.88	-	-	11.30	6.88	(39.12%)
Net Position							
Net investment in capital assets	124.63	123.99	136.65	143.08	261.28	267.07	2.22%
Restricted	6.23	7.91	-	-	6.23	7.91	26.97%
Unrestricted	(58.37)	(58.10)	(6.78)	(6.62)	(65.15)	(64.72)	(0.66%)
Total Net Position	\$72.49	\$73.80	\$129.87	\$136.46	\$202.36	\$210.26	3.90%

Net Position of the City's governmental activities increased by 1.81 percent to \$73.80 million. However, much of the net position is restricted as to the purposes for which it can be used, or is invested in capital assets (buildings, roads, and such). Consequently, unrestricted net position showed a \$58.10 million deficit at the end of the year.

The deficit in unrestricted governmental net position was positively affected by positive results from operations.

The net position of the City's business-type activities increased by 5.07 percent to \$136.46 million. While business type activities do have a substantial positive net position, these resources cannot be used to add to the net position in governmental activities. The City generally can only use the net position to finance the continuing operations of the business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in net position

The City's total revenues increased by 2.14 percent to \$85.31 million. (See Table A-2) Approximately 39 percent of the City's revenue comes from fees charged for services, 12 percent from sales taxes, 15 percent from ad valorem taxes, and 12 percent comprising such revenue items as business occupation license fees, franchise fees, and insurance premium fees. The remaining 22 percent represents grants, accommodation tax and investment revenue.

The total cost of all programs and services increased by .87 percent to 77.41 million. The City's expenses cover a myriad of services, with approximately 33 percent related to public safety, 25 percent related to general government expenses, and 25 percent related to water/sewer expenses. The balance of 17 percent is comprised of public works, economic development, solid waste, inspection, auditorium, storm water, and motor fuel functions.

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

Governmental Activities

Revenues for the City's governmental activities increased \$.26 million or .48 percent to \$54.36 million, while governmental activities expenses experienced an increase of \$3.06 million or 6.58% to \$49.54 million.

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

	Governmental		Business-type		Total		Total
	Activities		Activities		Total		Percentage
	2019	2020	2019	2020	2019	2020	Change
							2019 – 2020
REVENUES							
Program Revenues:							
Charges for Services	\$2.60	\$2.28	\$29.42	\$30.95	\$32.02	\$33.23	3.78%
Operating Grants & Contributions	1.83	1.78	-	-	1.83	1.78	(2.73%)
Capital Grants & Contributions	12.92	13.86	-	-	12.92	13.86	7.28%
General Revenues:							
Property Taxes	13.34	12.85	-	-	13.34	12.85	(3.67%)
Sales Taxes	9.44	9.91	-	-	9.44	9.91	4.98%
Accommodations Tax	3.34	2.70	-	-	3.34	2.70	(19.16%)
Other Taxes	10.30	10.52	-	-	10.30	10.52	2.14%
Investment Earnings	.07	.05	-	-	.07	.05	(28.57%)
Misc	.26	.41	-	-	.26	.41	57.69%
Total Revenues	\$54.10	\$54.36	\$29.42	\$30.95	\$83.52	\$85.31	2.14%
EXPENSES							
Program Activities							
Primary Government:							
Governmental Activities:							
General Government	16.95	19.47	-	-	16.95	19.47	14.87%
Public Safety	25.59	25.91	-	-	25.59	25.91	1.25%
Public Works	1.77	1.89	-	-	1.77	1.89	6.78%
Economic Development and Assistance	2.17	2.27	-	-	2.17	2.27	4.61%
Business-type Activities:							
Solid Waste	-	-	5.66	5.63	5.66	5.63	(.53%)
Water/Sewer	-	-	21.18	19.01	21.18	19.01	(10.25%)
Housing Inspections	-	-	.90	.88	.90	.88	(2.22%)
DOL Building	-	-	.31	.30	.31	.30	(3.23%)
Stormwater	-	-	1.40	1.47	1.40	1.47	5.00%
City Auditorium	-	-	.28	.32	.28	.32	14.29%
Motor Fuel	-	-	.33	.26	.33	.26	(21.21%)
Total Expenses	46.48	49.54	30.06	27.87	76.54	77.41	1.14%
Excess (deficiency) before transfers	7.62	4.82	(.64)	3.08	6.98	7.90	13.18%
Transfers	(2.34)	(3.51)	2.34	3.51	-	-	.00%
Increase (Decrease) in Net Assets	5.28	1.31	1.70	6.59	6.98	7.90	13.18%
Net position, beginning	67.21	72.49	128.17	129.87	195.38	202.36	3.57%
PPA	-	-	-	-	-	-	-
Net position, beginning, revised	67.21	72.49	128.17	129.87	195.38	202.36	3.57%
Net position, ending	\$72.49	\$73.80	\$129.87	\$136.46	\$202.36	\$210.26	3.90%

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

- The cost of all governmental activities this year was \$49.54 million.
- However, the amount that taxpayers paid for these activities through City taxes was \$35.98 million. Some of the cost was paid by:
 - Those who benefited directly from the programs (\$2.28 million).
 - Other governments and organizations that subsidized certain programs with grants and contributions (\$15.64 million).
 - Other miscellaneous sources such as investments (\$.46 million).

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

Function	<u>Total Cost Of Services</u>		<u>Percentage Change</u>	<u>Net Cost of Services</u>		<u>Percentage Change</u>
	2019	2020	2019 – 2020	2019	2020	2019 – 2020
General Government	\$16.95	\$19.47	14.87%	\$4.04	\$5.62	39.11%
Public Safety	25.59	25.91	1.25%	21.87	22.49	2.83%
Public Works	1.77	1.89	6.78%	1.65	1.78	7.88%
Economic Development and Assistance	2.17	2.27	4.61%	1.56	1.74	11.54%
Total	\$46.48	\$49.54	6.58%	\$29.12	\$31.63	8.62%

Business-type Activities

Total revenues available during the year to finance enterprise (business type) activities were \$30.95 million. Funding was made available as follows: program revenues \$30.95 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The cost of all enterprise (business-type) activities for the year accumulated to \$27.87 million consisting of the following activities: solid waste \$5.63 million, water/sewer \$19.01 million, inspections \$.88 million, city auditorium \$.32 million, motor fuel \$.26 million, DOL building \$.30 million, and storm water \$1.47 million. In addition the Enterprise funds transferred \$2.78 million to the General Fund for administrative services, and \$.39 million to Group Insurance Fund.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

General Fund Budgetary Highlights

Comparing the FY 2020 original General Fund budget, in the amount of \$41.18 million, to the final budget amount of \$41.31 million represents an increase of \$.13 million.

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

The General Fund experienced an increase in fund balance due to the increase in tax revenues and increased transfers from Enterprise Funds as a result of improved revenues in those funds.

Sales Tax 2013 Fund Highlights

The Sales Tax 2013 Fund experienced a decrease in fund balance of \$1.54 million as a result of projects financed by this fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the year-end, the City had \$338.70 million invested in a variety of capital assets, as reflected in the following schedule (Table A-4), which represents a net decrease (additions less retirements and depreciation) of \$2.10 million or .62 percent from last year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

	Governmental		Business-type		Total		Total
	<u>Activities</u>		<u>Activities</u>		<u>Total</u>		<u>Percentage</u>
	2019	2020	2019	2020	2019	2020	2019 – 2020
Non-depreciable assets							
Land	\$77.11	\$77.11	\$3.04	\$3.04	\$80.15	\$80.15	.00%
Construction in progress	1.25	.92	4.45	2.16	5.70	3.08	(45.96%)
Depreciable Assets							
Land improvements	13.79	13.79	156.89	163.38	170.68	177.17	3.80%
Buildings	29.01	29.01	110.96	105.88	139.97	134.89	(3.63%)
Equipment	8.73	7.52	5.12	5.31	13.85	12.83	(7.36%)
Motor vehicles	20.62	21.97	-	-	20.62	21.97	6.55%
Infrastructure	107.54	108.85	-	-	107.54	108.85	1.22%
Intangibles	-	-	1.16	1.16	1.16	1.16	0.00%
Accumulated depreciation	(128.87)	(131.29)	(70.00)	(70.11)	(198.87)	(201.40)	1.27%
	\$129.18	\$127.88	\$211.62	\$210.82	\$340.80	\$338.70	(0.62%)

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

The decrease in construction in progress is the result of the city's completion of several ongoing improvements to and expansion of the waste water system.

The increase in motor vehicles is the result of several large vehicle acquisitions as well as the routine replacement of passenger and police vehicles.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt

At year-end, the City had \$71.62 million in total debt outstanding. Government wide debt decreased by 9.93 percent as compared to last year.

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

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

	Governmental		Business-type		Total		Total
	<u>Activities</u>		<u>Activities</u>		<u>Total</u>		<u>Percentage</u>
	2019	2020	2019	2020	2019	2020	Change
Revenue Bonds	\$-	\$-	\$1.15	\$.92	\$1.15	\$.92	(20.00%)
Notes Payable	-	-	73.83	66.81	73.83	66.81	(9.51%)
Capital Leases	4.54	3.89	-	-	4.54	3.89	(14.32%)
Total	\$4.54	\$3.89	\$74.98	\$67.73	\$79.52	\$71.62	(9.93%)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

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

The City of Valdosta collected major revenues that support governmental operations roughly as budgeted. However, General Fund expenditures were generally kept below budget with the exception of economic development and health care costs. The City's commitment to controlling costs allowed Valdosta to weather the ongoing pandemic and maintain a high level of service to its citizens. During the past year, the City saw slight increases in governmental fund balances. This growth will allow the City to continue to provide the array of services expected by its citizens despite the economic impacts of Covid-19.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

- Growth in the tax base of the City (excluding inflationary growth). There was a slight decrease in the gross tax base this year. This change is primarily the result of a decrease in motor vehicles and an increase in exemptions. This decrease was more than offset by reassessments resulting in a slight increase to the net digest.
- Business Gross Receipts Taxes (based on a business' gross receipts). This revenue decreased approximately 2.70% this year, indicating a slowing local economy.
- General Fund's Ending Fund Balance – reflects the City's ability to meet ever increasing demands for general service while remaining financially sound and fiscally responsible by providing a buffer for short-term fluctuations in the economy. The General Fund experienced a small increase in total fund balance at June 30, 2020.

FINANCIAL CONTACT

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

The background of the slide is a photograph of a forest with tall, thin trees, possibly pines, reaching up towards a cloudy sky. The entire image is overlaid with a semi-transparent pink filter. A thin pink rectangular border is visible around the edges of the slide.

Basic Financial Statements

CITY OF VALDOSTA, GEORGIA
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$14,631,228	\$1,579,163	\$16,210,391
Investments	3,850,161	1,132,583	4,982,744
Receivables (net)	4,561,354	3,499,061	8,060,415
Due from other governments	937,031	89,907	1,026,938
Interfund balances	9,899,146	(9,899,146)	0
Inventories	601,758	502,046	1,103,804
Prepays	2,202	0	2,202
Capital assets:			
Non-depreciable	78,033,996	5,195,811	83,229,807
Depreciable (net)	49,846,551	205,615,686	255,462,237
Total Assets	\$162,363,427	\$207,715,111	\$370,078,538
DEFERRED OUTFLOWS OF RESOURCES			
Differences between actual and expected			
pension experience	\$2,417,183	\$0	\$2,417,183
Changes in pension actuarial assumptions	6,594,370	0	6,594,370
Pension payments after pension valuation	3,783,038	0	3,783,038
Net difference between projected and actual			0
Changes in OPEB actuarial assumptions	10,845,990	0	10,845,990
OPEB payments after OPEB valuation	860,439	0	860,439
Total Deferred Outflows	\$24,501,020	\$0	\$24,501,020
LIABILITIES			
Accounts payable	3,982,172	\$1,701,474	\$5,683,646
Contracts payable	83,633	0	83,633
Accrued interest payable	42,918	160,395	203,313
Deposits	0	1,109,740	1,109,740
Non-current liabilities			
Due within one year:			
Compensated absences	798,581	266,777	1,065,358
Due to other governments & agencies	0	2,560,432	2,560,432
Capital leases payable	529,666	0	529,666
Bonds payable	0	233,000	233,000
Due in more than one year:			
Other post employment benefits	43,330,631	0	43,330,631
Compensated absences	1,024,384	288,085	1,312,469
Due to other governments & agencies	0	64,255,186	64,255,186
Capital leases payable	3,357,937	0	3,357,937
Net pension liability	53,033,465	0	53,033,465
Bonds payable	0	682,000	682,000
Total Liabilities	\$106,183,387	\$71,257,089	\$177,440,476
DEFERRED INFLOWS OF RESOURCES			
Net difference between projected and actual			
pension plan earnings	360,348	0	360,348
Differences between actual and expected			
Pension experience	340,041	0	340,041
Deferred revenue	79,202	0	79,202
Changes in OPEB actuarial assumptions	3,809,263	0	3,809,263
Differences between actual and expected			
OPEB experience	2,297,831	0	2,297,831
Total Deferred Inflows	\$6,886,685	\$0	\$6,886,685
NET POSITION			
Net investment in capital assets	\$123,992,944	\$143,080,879	\$267,073,823
Restricted for:			
Capital outlay	5,630,086	0	5,630,086
Housing Grants	2,048,554	0	2,048,554
Other purposes	227,462	0	227,462
Unrestricted	(58,104,671)	(6,622,857)	(64,727,528)
Total Net Position	\$73,794,375	\$136,458,022	\$210,252,397

The accompanying notes are an integral part of these statements.

**CITY OF VALDOSTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and Contributions	Grants and Contributions
Function/Program Activities				
Primary Government:				
Governmental Activities				
General Government	\$19,471,991	\$43,583	\$25,298	\$13,780,788
Public Safety	25,900,150	2,128,015	1,224,767	72,095
Public Works	1,886,658	104,970	0	0
Community Development	2,273,856	0	530,221	3,532
Interest on Long-term Debt	10,658	0	0	0
Total governmental activities	49,543,313	2,276,568	1,780,286	13,856,415
Business-type Activities				
Sanitation	5,632,534	5,962,743	0	0
Water and Sewer	19,006,552	20,936,570	0	0
Inspection	883,166	1,468,150	0	0
DOL Building	301,288	469,157	0	0
Storm Water	1,474,837	1,813,191	0	0
Auditorium	315,395	38,198	0	0
Motor Fuel	256,317	262,772	0	0
Total business-type activities	27,870,089	30,950,781	0	0
Total Primary Government	\$77,413,402	\$33,227,349	\$1,780,286	\$13,856,415
General Revenues:				
Taxes:				
Property Taxes				
Sales Tax				
Accommodations Tax				
Franchise Tax				
Insurance Premium Tax				
Business Occupation Tax				
Other Taxes				
Investment Earnings				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net position - Beginning				
Net position - Ending				

The accompanying notes are an integral part of these statements.

**Net (Expense) Revenue and
Changes in Net Position**

Primary Government		
Governmental Activities	Business-type Activities	Total
(\$5,622,322)	\$0	(\$5,622,322)
(22,475,273)	0	(22,475,273)
(1,781,688)	0	(1,781,688)
(1,740,103)	0	(1,740,103)
(10,658)	0	(10,658)
<u>(31,630,044)</u>	<u>0</u>	<u>(31,630,044)</u>
0	330,209	330,209
0	1,930,018	1,930,018
0	584,984	584,984
0	167,869	167,869
0	338,354	338,354
0	(277,197)	(277,197)
0	6,455	6,455
<u>0</u>	<u>3,080,692</u>	<u>3,080,692</u>
<u>(\$31,630,044)</u>	<u>\$3,080,692</u>	<u>(\$28,549,352)</u>
12,852,906	0	12,852,906
9,905,639	0	9,905,639
2,699,082	0	2,699,082
3,853,925	0	3,853,925
4,179,419	0	4,179,419
1,596,773	0	1,596,773
894,050	0	894,050
48,420	0	48,420
414,665	0	414,665
(3,510,102)	3,510,102	0
<u>32,934,777</u>	<u>3,510,102</u>	<u>36,444,879</u>
<u>1,304,733</u>	<u>6,590,794</u>	<u>7,895,527</u>
<u>72,489,642</u>	<u>129,867,228</u>	<u>202,356,870</u>
<u>\$73,794,375</u>	<u>\$136,458,022</u>	<u>\$210,252,397</u>

Governmental Funds

General Fund - the principal fund of the city which accounts for all financial transactions not accounted for in other funds. Principal sources of revenue are property taxes, sales taxes, licenses and permits. Primary expenditures are for police and fire protection, engineering, community development, cemetery and general administration.

Sales Tax 2013 Fund - to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax collected for 72 months starting January 2014.

Sales Tax 2019 Fund - to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax collected for 72 months starting January 2020.

Central Valdosta Development Authority - to account for the operations of the Central Valdosta Development Authority, the city's blended component unit.

**CITY OF VALDOSTA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	GENERAL	SALES TAX 2013	SALES TAX 2019	CVDA	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash	\$11,820	\$7,669,524	\$3,275,283	\$49,652	\$2,611,523	\$13,617,802
Investments, at cost or amortized cost	0	0	0	0	3,845,703	3,845,703
Receivables (net)						
Taxes	1,333,811	0	1,148,570	4,983	61,744	2,549,108
Accounts	37,224	0	0	0	196,344	233,568
Second mortgages	0	0	0	0	1,707,207	1,707,207
Special assessments	45,387	0	0	0	0	45,387
Due from other governments and agencies	498,579	0	0	0	438,452	937,031
Interfund balances	2,280,627	0	0	2,578	330,000	2,613,205
Advance to other funds	5,688,130	0	0	0	0	5,688,130
Prepaid expenditures	2,202	0	0	0	0	2,202
Inventories, at cost	0	213,395	0	0	0	213,395
Total assets	<u>\$9,897,780</u>	<u>\$7,882,919</u>	<u>\$4,423,853</u>	<u>\$57,213</u>	<u>\$9,190,973</u>	<u>\$31,452,738</u>
LIABILITIES						
Liabilities:						
Accounts payable	\$1,533,933	\$386,904	\$131,849	\$899	\$367,046	\$2,420,631
Contracts payable	0	83,633	0	0	0	83,633
Due to:						
Other funds	3,175,743	32,724	0	0	465,759	3,674,226
Other governments and agencies	0	0	0	0	0	0
Advances from other funds	0	0	0	0	37,594	37,594
Total liabilities	<u>4,709,676</u>	<u>503,261</u>	<u>131,849</u>	<u>899</u>	<u>870,399</u>	<u>6,216,084</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue	<u>854,773</u>	<u>0</u>	<u>0</u>	<u>4,983</u>	<u>210,405</u>	<u>1,070,161</u>
FUND BALANCES						
Fund Balance (deficit):						
Nonspendable	4,440,823	0	0	0	1,760,138	6,200,961
Restricted	241,627	4,403,617	0	51,331	3,209,527	7,906,102
Committed	10,767	0	0	0	0	10,767
Assigned	0	2,976,041	4,292,004	0	3,465,356	10,733,401
Unassigned	(359,886)	0	0	0	(324,852)	(684,738)
Total fund balance	<u>4,333,331</u>	<u>7,379,658</u>	<u>4,292,004</u>	<u>51,331</u>	<u>8,110,169</u>	<u>24,166,493</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$9,897,780</u>	<u>\$7,882,919</u>	<u>\$4,423,853</u>	<u>\$57,213</u>	<u>\$9,190,973</u>	<u>\$31,452,738</u>

The accompanying notes are an integral part of these statements.

**CITY OF VALDOSTA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2020**

Fund balances - total governmental funds		\$24,166,493
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental capital assets	\$233,497,858	
Less accumulated depreciation	<u>(114,582,325)</u>	118,915,533
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds		
Net other post employment benefits liability	(43,330,631)	
Changes in actuarial assumptions	7,036,727	
Differences between expected and actual experience	(2,297,831)	
OPEB payments after OPEB valuation date	<u>860,439</u>	(37,731,296)
Compensated absences		(1,766,649)
Capital Leases		(325,620)
Net pension liability	(\$53,033,465)	
Differences between expected and actual experience	2,077,142	
Changes in actuarial assumptions	6,594,370	
Pension payments after pension valuation date	3,783,038	
Net difference between projected and actual investment earnings	<u>(360,348)</u>	(40,939,263)
Revenue not received within 31 days in governmental funds is susceptible to full accrual on the entity-wide statements		
Unavailable revenue		990,959
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The assets and liabilities of the internal service funds that are reported with governmental activities.		<u>10,484,218</u>
Net position of governmental activities		<u><u>\$73,794,375</u></u>

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL	SALES TAX 2013	SALES TAX 2019	CVDA	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:						
Taxes	\$32,752,385	\$0	\$0	\$85,560	\$2,699,081	\$35,537,026
Licenses and permits	509,315	0	0	0	0	509,315
Charges for service	126,887	0	0	0	0	126,887
Fines and forfeitures	822,440	0	0	0	761	823,201
Interest income	43,328	0	0	98	4,994	48,420
Contributions	2,300	0	0	12,214	8,800	23,314
Miscellaneous	74,509	46,954	0	761	25,472	147,696
Intergovernmental	1,357,395	7,450,664	4,423,853	0	3,617,638	16,849,550
TOTAL REVENUES	35,688,559	7,497,618	4,423,853	98,633	6,356,746	54,065,409
EXPENDITURES:						
Current:						
General government	9,079,737	0	0	104,828	2,061,609	11,246,174
Public safety	25,248,571	0	0	0	16,810	25,265,381
Public works	1,807,948	0	0	0	0	1,807,948
Economic development and assistance	1,503,259	0	0	0	737,104	2,240,363
Capital outlay	0	9,041,601	131,849	0	1,775,176	10,948,626
Debt service principal	165,192	0	0	0	0	165,192
Debt service interest	10,658	0	0	0	0	10,658
TOTAL EXPENDITURES	37,815,365	9,041,601	131,849	104,828	4,590,699	51,684,342
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,126,806)	(1,543,983)	4,292,004	(6,195)	1,766,047	2,381,067
OTHER FINANCING SOURCES (USES):						
Transfers in	3,577,536	0	0	0	0	3,577,536
Transfers out	(1,014,791)	0	0	0	(1,140,763)	(2,155,554)
Capital leases	117,235	0	0	0	0	117,235
TOTAL OTHER FINANCING SOURCES (USES)	2,679,980	0	0	0	(1,140,763)	1,539,217
NET CHANGE IN FUND BALANCES	553,174	(1,543,983)	4,292,004	(6,195)	625,284	3,920,284
FUND BALANCES - BEGINNING	3,780,157	8,923,641	0	57,526	7,484,885	20,246,209
FUND BALANCES - END OF YEAR	\$4,333,331	\$7,379,658	\$4,292,004	\$51,331	\$8,110,169	\$24,166,493

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Net change in fund balances - total governmental funds	\$3,920,284
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Amounts reported for governmental activities in the statement
of activities are different because:

Governmental funds report capital outlays as expenditures
However, in the statement of activities, the cost of those
assets is depreciated over their estimated useful life:

Expenditures for capital assets	\$10,948,626	
Less capital expenditures not capitalized in governmental funds	(9,705,572)	
Less current year depreciation	(2,968,671)	(1,725,617)

Some expenses reported in the statement of activities do
not require the use of current financial resources and
therefore are not reported as expenditures in governmental
funds:

Change in long-term compensated absences		(115,867)
Change in pension liability		(627,750)
Other post employment benefits		(1,049,879)
Principal payments on long-term debt		54,422
Long-term accounts receivable		292,740
Internal service funds		556,400
Change in net position of governmental activities		\$1,304,733

The accompanying notes are an integral part of these statements.

Proprietary Funds

Sanitation Fund - to finance and account for the cost of providing both residential and commercial trash and garbage pickup to citizens and businesses of the City.

Water and Sewer Revenue Fund - to finance and account for the cost of providing water and sewer services to the residents and businesses of the City. All activities necessary to provide such services are included in the fund, including financing and related debt services.

DOL Building Fund - to account for the revenues received from the rental of the Georgia Department of Labor building and the expenses associated with the maintenance of the building.

Storm Water - to finance and account for the cost of providing stormwater collection services to the residents and businesses of the City. All activities necessary to provide such services are included in the fund.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES						GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	ENTERPRISE FUNDS						
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS							
Current assets:							
Cash	\$480	\$415,552	\$0	\$35,801	\$18,505	\$470,338	\$1,013,426
Investments	0	103,458	0	409,118	620,007	1,132,583	4,458
Receivables (net)							
Accounts	767,069	2,539,178	0	188,327	4,487	3,499,061	26,084
Accrued interest	0	0		0	0	0	0
Due from other governments and agencies	86,373	0	0		3,534	89,907	0
Due from other funds	0	489,239	0	700,000	205,331	1,394,570	1,448,595
Inventories at cost	0	502,046	0	0	0	502,046	388,363
Prepaid expenses	0	0	0	0	0	0	0
Restricted assets							
Cash	13,948	1,094,877	0	0	0	1,108,825	0
Total current assets	867,870	5,144,350	0	1,333,246	851,864	8,197,330	2,880,926
Noncurrent assets:							
Capital assets:							
Land	0	2,791,492	0	246,911	0	3,038,403	92,563
Land improvement	201,059	161,409,611	0	1,766,105	0	163,376,775	375,370
Buildings and structures	1,172,902	100,310,944	4,394,543	0	0	105,878,389	530,218
Motor vehicles	0	0	0	0	0	0	21,969,158
Equipment	99,205	5,176,556	0	0	39,216	5,314,977	2,713,675
Intangibles	0	0	0	1,161,791	0	1,161,791	0
Construction in progress	0	2,157,408	0	0	0	2,157,408	0
	1,473,166	271,846,011	4,394,543	3,174,807	39,216	280,927,743	25,680,984
Less accumulated depreciation	(821,708)	(67,183,187)	(1,401,026)	(673,811)	(36,514)	(70,116,246)	(16,715,970)
Net capital assets	651,458	204,662,824	2,993,517	2,500,996	2,702	210,811,497	8,965,014
Total noncurrent assets	651,458	204,662,824	2,993,517	2,500,996	2,702	210,811,497	8,965,014
Total assets	\$1,519,328	\$209,807,174	\$2,993,517	\$3,834,242	\$854,566	\$219,008,827	\$11,845,940
LIABILITIES							
Current liabilities:							
Accounts payable	\$386,641	\$1,137,902	\$9,854	\$122,579	\$44,498	\$1,701,474	\$1,561,541
Accrued interest	0	144,634	15,761	0	0	160,395	42,918
Compensated absences (current portion)	75,310	139,395	0	24,780	27,292	266,777	24,056
Due to other funds	150,000	0	182,144	0	0	332,144	1,450,000
Due to other governments and agencies (current portion)	0	2,560,432	0	0	0	2,560,432	0
Capital lease payable (current portion)	0	0	0	0	0	0	413,321
Bonds payable (current portion)	0	0	233,000	0	0	233,000	0
Current liabilities (payable from restricted assets):							
Deposits	7,023	1,102,717	0	0	0	1,109,740	0
Total current liabilities	618,974	5,085,080	440,759	147,359	71,790	6,363,962	3,491,836
Noncurrent liabilities (payable from unrestricted assets):							
Compensated absences	90,530	157,741	0	17,782	22,032	288,085	32,260
Capital lease payable (net of current portion)	0	0	0	0	0	0	3,148,662
Bonds payable (net of current portion)	0	0	682,000	0	0	682,000	0
Advances from other funds	623,331	0	963,872	0	0	1,587,203	4,063,333
Due to other governments and agencies, (net of current portion)	0	64,255,186	0	0	0	64,255,186	0
Total noncurrent liabilities (payable from unrestricted assets)	713,861	64,412,927	1,645,872	17,782	22,032	66,812,474	7,244,255
Total liabilities	1,332,835	69,498,007	2,086,631	165,141	93,822	73,176,436	10,736,091
NET POSITION (DEFICIT)							
Net investment in capital assets	651,458	137,847,206	2,078,517	2,500,996	2,702	143,080,879	5,403,031
Restricted							
Restricted for workmen's compensation claims	0	0	0	0	0	0	1,109,849
Unrestricted	(464,965)	2,461,961	(1,171,631)	1,168,105	758,042	2,751,512	(5,403,031)
Total net position (deficit)	\$186,493	\$140,309,167	\$906,886	\$3,669,101	\$760,744	145,832,391	\$1,109,849
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(9,374,369)	
Net position of business-type activities						\$136,458,022	

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	
Operating revenues:						
Permits	\$0	\$0	\$0	\$0	\$1,393,996	\$1,393,996
Charges for services	5,760,835	20,676,529	469,157	1,811,660	361,967	29,080,148
Recycling revenue	16,949	0	0	0	0	16,949
Intergovernmental revenues	3,994	0	0	0	0	3,994
Miscellaneous revenues	5,652	257,681	0	0	12,700	276,033
TOTAL OPERATING REVENUES	5,787,430	20,934,210	469,157	1,811,660	1,768,663	30,771,120
Operating expenses:						
Personal services	2,662,099	5,141,031	0	779,930	754,506	9,337,566
Contractual services	1,311,499	2,129,583	150,764	276,734	182,549	4,051,129
Claims paid	0	0	0	0	0	0
Supplies	121,504	1,338,814	852	62,657	276,426	1,800,253
Travel and training	2,656	22,576	0	2,855	4,890	32,977
Other services and charges	1,419,746	2,464,299	21,356	249,168	206,863	4,361,432
Amortization expense	0	0	0	73,956	0	73,956
Depreciation expense	33,009	5,946,399	89,110	0	1,297	6,069,815
TOTAL OPERATING EXPENSES	5,550,513	17,042,702	262,082	1,445,300	1,426,531	25,727,128
OPERATING INCOME (LOSS)	236,917	3,891,508	207,075	366,360	342,132	5,043,992
Non-operating revenues (expenses):						
Interest income	0	2,360	0	1,531	457	4,348
Intergovernmental revenues	175,313	0	0	0	0	175,313
Gain (Loss) on disposal of assets	0	0	0	0	0	0
Interest expense and fiscal charges	0	(1,779,327)	(39,206)	0	0	(1,818,533)
TOTAL NON-OPERATING REVENUES (EXPENSES)	175,313	(1,776,967)	(39,206)	1,531	457	(1,638,872)
INCOME (LOSS) BEFORE CONTRIBUTIONS, TRANSFERS, AND SPECIAL ITEMS	412,230	2,114,541	167,869	367,891	342,589	3,405,120
Capital contribution revenue	0	6,336,790	0	0	0	6,336,790
Transfers in	0	0	0	0	340,763	340,763
Transfers out	(277,611)	(2,382,227)	(200,000)	(177,138)	(130,475)	(3,167,451)
	(277,611)	3,954,563	(200,000)	(177,138)	210,288	3,510,102
Change in Net Position	134,619	6,069,104	(32,131)	190,753	552,877	6,915,222
NET POSITION - BEGINNING (DEFICIT)	51,874	134,240,063	939,017	3,478,348	207,867	877,877
NET POSITION - ENDING (DEFICIT)	\$186,493	\$140,309,167	\$906,886	\$3,669,101	\$760,744	\$1,109,849
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(324,428)
Change in net position of business-type activities						<u>\$6,590,794</u>

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	BUSINESS-TYPE ACTIVITIES						GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	ENTERPRISE FUNDS						
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	
Cash flows from operating activities:							
Cash received from customers	\$5,621,529	\$20,436,371	\$469,157	\$1,803,955	\$1,762,873	\$30,093,885	\$13,263,416
Cash payments to suppliers for goods and services	(2,930,275)	(6,369,888)	7,063	(1,222,701)	(883,611)	(11,399,412)	(10,181,032)
Cash payments to employees for services	(2,626,410)	(5,088,125)	0	(760,287)	(739,575)	(9,214,397)	(779,911)
Other operating revenues	16,949	0	0	0	0	16,949	0
Miscellaneous income	5,652	257,681	0	0	12,699	276,032	0
New customer utility deposits	1,400	419,115	0	0	0	420,515	0
Intergovernmental revenues	3,994	0	0	0	0	3,994	0
Refunded customer utility deposits	(1,427)	(230,582)	0	0	0	(232,009)	0
Net change in cash from operating activities	91,412	9,424,572	476,220	(179,033)	152,386	9,965,557	2,302,473
Cash flows from noncapital financing activities:							
Intergovernmental revenues	175,313	0	0	0	0	175,313	0
Transfers-in from other funds	0	6,336,790	0	0	340,763	6,677,553	1,404,706
Transfers-out to other funds	(277,611)	(2,382,227)	(200,000)	(177,138)	(130,475)	(3,167,451)	0
Net change in cash from noncapital financing activities	(102,298)	3,954,563	(200,000)	(177,138)	210,288	3,685,415	1,404,706
Cash flows from capital and related financing activities:							
Principal paid on Georgia Environmental Finance Authority Loan	0	(7,557,172)	0	0	0	(7,557,172)	0
Loan from Georgia Environmental Finance Authority	0	678,477	0	0	0	678,477	0
Acquisition and construction of capital assets	0	(5,333,366)	0	0	0	(5,333,366)	(2,207,205)
Principal paid on DOL intergovernmental note	0	0	(233,000)	0	0	(233,000)	0
Principal paid on GMA Bond	0	0	0	0	0	0	(558,469)
Interest paid on GEFA loan	0	(1,782,588)	0	0	0	(1,782,588)	0
Interest paid on DOL intergovernmental note	0	0	(43,220)	0	0	(43,220)	0
Interest paid on GMA bond	0	0	0	0	0	0	(179,180)
Net change in cash from capital and related financing activities	0	(13,994,649)	(276,220)	0	0	(14,270,869)	(2,944,854)
Cash flows from investing activities:							
Sale of investment securities	0	1,054,705	0	(343,445)	0	711,260	0
Purchase of investment securities	0	(2,305)	0	684,625	(396,691)	285,629	45,465
Purchase and dividends on investments	0	2,360	0	1,531	457	4,348	102
Net change in cash from investing activities	0	1,054,760	0	342,711	(396,234)	1,001,237	45,567
Net change in cash	(10,886)	439,246	0	(13,460)	(33,560)	381,340	807,892
Cash beginning of year	25,314	1,071,183	0	49,261	52,065	1,197,823	205,534
Cash at end of year	\$14,428	\$1,510,429	\$0	\$35,801	\$18,505	\$1,579,163	\$1,013,426
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CHANGE IN CASH FROM OPERATING ACTIVITIES							
Operating income (loss)	\$236,917	\$3,891,508	\$207,075	\$366,360	\$342,132	\$5,043,992	(\$993,656)
Adjustments to reconcile operating income (loss) to net change in cash from operating activities:							
Amortization	0	0	0	73,956	0	73,956	0
Depreciation	33,008	5,946,399	89,110	0	1,297	6,069,814	1,776,841
New customer utility deposit	1,400	419,115	0	0	0	420,515	0
Refunded customer utility deposit	(1,427)	(230,582)	0	0	0	(232,009)	0
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(52,619)	(2,151)	0	(7,705)	6,910	(55,565)	5,045
(Increase) in due from other funds	0	(489,239)	0	(700,000)	(205,331)	(1,394,570)	233,346
Decrease in due from other governments and agencies	151,867	33,372	0	0	1,380	186,619	0
(Increase) decrease in inventory	0	(44,216)	0	0	0	(44,216)	(8,498)
(Increase) in prepaid expenses	0	0	0	0	0	0	130,590
Increase (decrease) in accounts payable	39,813	(115,207)	(2,109)	80,897	(1,131)	2,263	(290,235)
Increase (decrease) in compensated absences liability	12,002	15,573	0	7,459	7,129	42,163	(960)
Increase (decrease) in due to other funds	150,000	0	182,144	0	0	332,144	0
(Decrease) increase in advances from other funds	(479,549)	0	0	0	0	(479,549)	1,450,000
Net change in cash from operating activities	\$91,412	\$9,424,572	\$476,220	(\$179,033)	\$152,386	\$9,965,557	\$2,302,473
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Contributed capital assets from SPLOST 2013	0	6,336,790	0	0	0	6,336,790	0

The accompanying notes are an integral part of these statements.

Fudiciary Funds

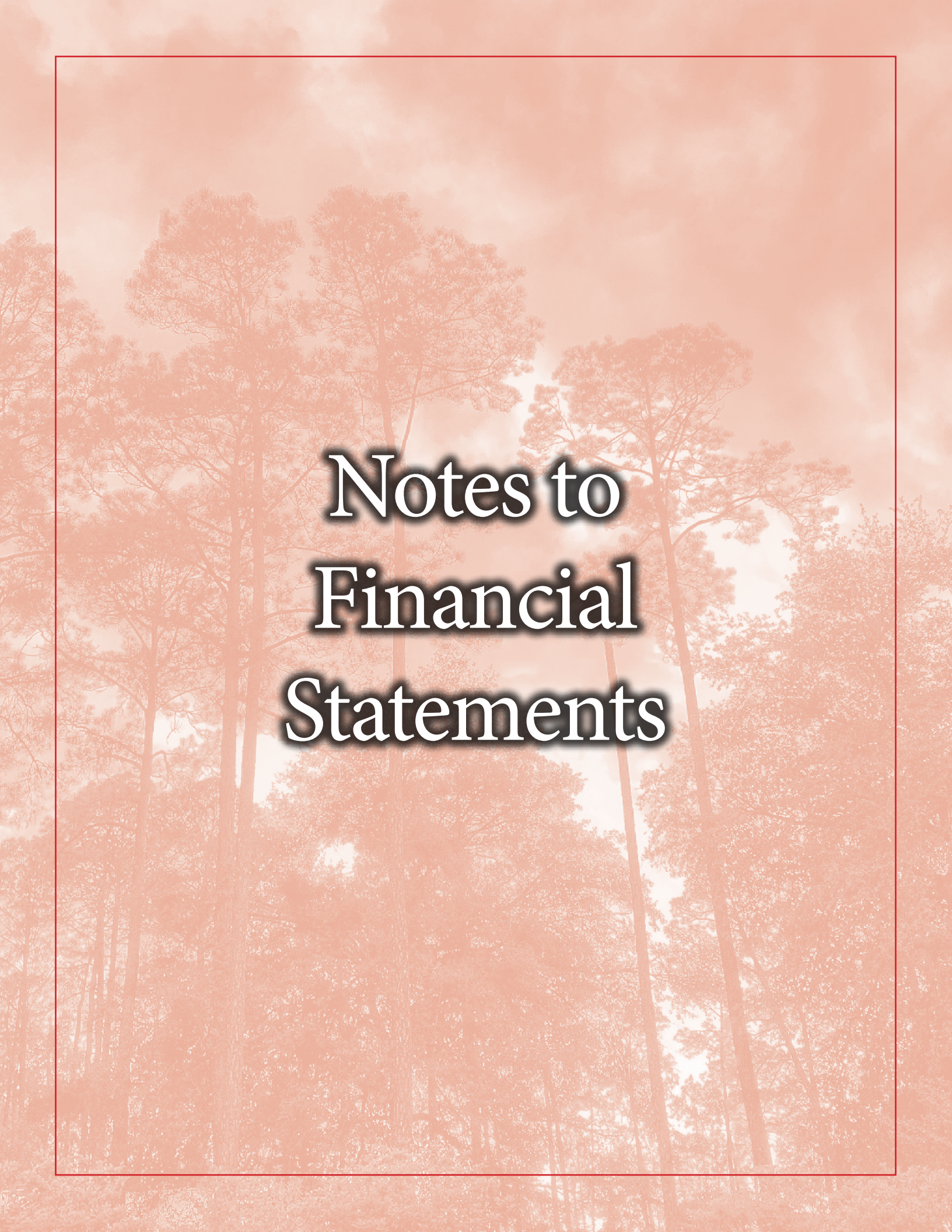
Tree Commission Agency Fund - to account for monies collected for the Tree Commission.

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

CITY OF VALDOSTA, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2020

	TOTAL FIDUCIARY FUNDS
ASSETS	
Cash	\$119,252
Investments	7,401
Total assets	\$126,653
 LIABILITIES	
Due to other governments and agencies	\$78,526
Due to others	48,127
Total liabilities	\$126,653

The accompanying notes are an integral part of these statements.

The background of the slide is a photograph of a forest with tall, thin trees reaching towards a cloudy sky. The entire image is covered with a semi-transparent red overlay. A thin red rectangular border is visible around the edges of the slide.

Notes to Financial Statements

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting principles of the City of Valdosta, Georgia conform to generally accepted accounting principles (“GAAP”) as prescribed by the Governmental Accounting Standards Board (“GASB”).

The accompanying summary of the City of Valdosta’s more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

A. THE REPORTING ENTITY

The primary government of the City of Valdosta has one component unit – the Central Valdosta Development Authority (the “Authority”). Using the criteria of Governmental Accounting Standards Board (GASB) Statement No. 61, management determined that the authority should be included as a blended component unit.

Primary Government

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

Included with reporting entity as Blended Component Unit:

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Separate financial statements are not available from the Authority.

Related Organizations:

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

B. MEASUREMENT FOCUS AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and its component units. The City's fiduciary funds are not included in the government wide financial statements. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is 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. Certain indirect costs have been included as part of the program expenses for various functional activities.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The City's government wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental and Business-Type activities for the City. Fiduciary activities of the City are not included in these statements.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary funds don't have a measurement focus. Accordingly, all the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services, or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs for a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs of a particular function.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. 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.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Fund Financial Statements

The accounts of the City are organized on the basis of the funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purpose for which they are spent and the means by which spending activities are controlled.

THE CITY REPORTS THE FOLLOWING MAJOR FUNDS:

GOVERNMENTAL

General Fund – the principal fund of the City used to account for all activities not otherwise accounted for by a specific fund.

Sales Tax 2013 Fund – to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax collected for 72 months starting January 2014.

Sales Tax 2019 Fund – to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax collected for 72 months starting January 2020.

Central Valdosta Development Authority – to account for the operations of the City's blended component unit, The Central Valdosta Development Authority.

ENTERPRISE

Sanitation Fund – to finance and account for the costs of providing both residential and commercial trash and garbage pick up to residents and businesses of the City.

Water and Sewer Revenue Fund – to finance and account for the cost of providing water and sewer services to the residents and businesses of the City.

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Stormwater – to finance and account for the cost of providing stormwater collection services to the residents and businesses of the City. All activities necessary to provide such services are included in the fund.

ADDITIONALLY THE CITY REPORTS THE FOLLOWING FUND TYPES:

GOVERNMENTAL FUNDS

Governmental fund types include the General Fund, Special Revenue Funds, and Capital Projects Funds. Governmental Fund Financial Statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all governmental major funds and non major funds aggregated. The governmental funds employ the current financial resources measurement focus. Those funds are maintained on the modified accrual basis of accounting. (Explained further under Basis of Accounting)

SPECIAL REVENUE FUNDS

These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The City maintains a separate Special Revenue Fund for each Federal Grant Program.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for capital improvements (except for those financed by Proprietary Funds) which are financed from certain Federal Grants, and other City Funds.

PERMANENT FUND

The permanent fund accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs, that is, for the benefit of the City or its Citizenry.

PROPRIETARY FUNDS

Proprietary Funds include Enterprise funds and Internal Service Funds. The Proprietary Fund measurement focus is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles in these funds are those applicable to similar businesses in the private

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

sector and thus these funds are maintained on the accrual basis of accounting. (Explained further under Basis of Accounting)

ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of revenue bonds, Federal Grants, and other City funds.

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City. These goods or services are provided on a cost reimbursement basis.

THE CITY MAINTAINS THE FOLLOWING INTERNAL SERVICE FUNDS:

MOTOR POOL FUND

The Motor Pool Fund accounts for the cost of operating a maintenance facility for automotive equipment. The fund purchases the automotive equipment and leases the equipment to user departments on a predetermined per mile basis or monthly rate based on accumulated historical costs.

GROUP INSURANCE FUND

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

WORKMAN'S COMPENSATION FUND

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

IT FUND

The IT Fund accounts for the cost of providing information technology to the City. Departments are charged based on utilization of IT Services.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

FIDUCIARY FUNDS

Fiduciary Funds include the Agency Funds. The Tree Commission Agency Fund accounts for monies collected for the Tree Commission. The Evidence Agency Fund accounts for monies taken in by the Valdosta Police Department but not condemned. The assets and liabilities are accounted for on the accrual basis.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Modified Accrual Basis of Accounting

The modified accrual basis of accounting is followed in the Governmental Fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Property taxes levied and due for the current year are considered available and are therefore recognized as revenues in accordance with NCGA Interpretation 3 of NCGA Statement 1.

Licenses, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Taxes, charges for services, investment earnings, and special assessments are considered available if payment is received within 31 days after the close of the current fiscal year and therefore recognized as revenues.

Intergovernmental revenues received as reimbursements for specific purposes or projects are recognized when the expenditure is recorded. Intergovernmental revenues received but not earned are recorded as unearned revenues.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due and vacation and sick pay which is recorded when paid.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Accrual Basis of Accounting

The accrual basis of accounting is followed in all Proprietary Funds and the Agency Funds. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred. The revenues for sanitation and water and sewer, which are based upon service rates authorized by the City Council, are determined by monthly cyclical billings to customers. Earned but unbilled revenues are accrued and reported in the financial statements.

The City defines operating revenues and expenses in the proprietary funds using the criteria established for identifying cash flows from operations. Revenues from the sale of goods or services (including goods or services sold to internal customers) as well as from the sale of permits are considered operating revenues. Expenses incurred to purchase labor, operating supplies and services, as well as depreciation, are classified as operating expenses. All other revenues and expenses not meeting this definition are nonoperating.

Investment earnings are accrued in Proprietary Funds.

D. BUDGETS AND BUDGETARY ACCOUNTING

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

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

The following funds' expenditures/expenses exceeded legal appropriations.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Fund/Department	Expenditures/ Expenses on Budgetary Basis	Appropriations	Amount Exceeding
General Fund/Other Protection Services	\$590,346	\$574,343	\$16,003
General Fund/Economic Development and Assistance	906,759	822,751	84,008
Central Valdosta Development Authority	104,828	102,000	2,828
Federal HUD Grant	749,377	595,943	153,434
SPLOST VIII	131,849	0	131,849
SPLOST VII	11,245,053	8,860,442	2,384,611
TSPLOST 2018	15,125	0	15,125

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

E. CASH

For the purpose of the statement of cash flows, the City considers only cash (including restricted assets) in determining the increase (decrease) in cash. Cash equivalents are defined as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. INVESTMENTS

It is the City's policy that investments having a remaining maturity at time of purchase of one year or less are recorded at cost or amortized cost in accordance with GASB Statement 31. Adjustments are made to cost for any premium or discount, which is amortized over the maturity of the investment. Amortized cost approximates fair value. The City has no such investments at June 30, 2020.

G. RECEIVABLES

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

1. Taxes Receivable which includes:

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

- a. Taxes Receivable-Delinquent – represents the past years of uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The tax receivables have been reported net of these allowances.
 - b. Sales Taxes, Franchise Taxes, and Public Utilities Receivable – recorded as revenue when they become both measurable and available for collection within the current period paying cycle, which is 31 days past year end. The balance of what has been earned though not available is recorded as a deferred inflow of resources – unavailable revenue.
2. Accounts Receivable which includes:
- a. Accounts Receivable – Sanitation and Water and Sewer service charges are recognized when earned, with an allowance for uncollectible accounts of 1% of the accounts receivable balance at June 30 after allowing for troubled customers at a graduated scale based on age. Services performed by various departments are recognized as revenue when they are measured and assured of collection within the current paying cycle of the City. That which is earned, but not collected within 31 days of year end, is recognized as a deferred revenue. In the Proprietary Funds, they are recognized as revenue when earned.
 - b. Returned Checks – the balance of checks written by the public that the banks have returned to the City over the past 12 months.
 - c. Accounts Receivable-Employees – the balance that City employees owe the City for travel advances, garnishments, etc.
 - d. Unbilled Services Receivable – within the City’s Enterprise Funds, an estimated amount has been recorded for services rendered but not yet billed as of June 30, 2020. The receivable was arrived at by taking the cycle billings the City sent the customers in July and prorating the amount of days applicable to the current year factor at 99% to allow for uncollectible accounts.
3. Second Mortgages Receivable - the amount owed to the City from loans made to homeowners on UDAG and CDBG CHIP grants.
4. Special Assessments Receivable – both principle and interest on paving assessments are payable in semi-annual installments over a five year period. The principle is recognized when due. The balance due at June 30 that has not been collected within 31 days past year end is recorded as a deferred revenue. There is no allowance for uncollectibles as delinquent accounts are declared as

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

a special assessment lien against the property per Section 7.2, paragraph I, of the City's Code. The entire outstanding balance is delinquent at June 30, 2020.

5. Interest Receivable – interest on investments is recorded as revenue on the Governmental Fund types when it is both measurable and collected within the City's current paying cycle. The amount which is earned but not collected is recognized as a deferred revenue. The interest on investments is recorded as revenue in the year earned for the Proprietary Fund types.

H. DUE FROM OTHER GOVERNMENTS & AGENCIES

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

I. DUE FROM AND DUE TO OTHER FUNDS

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debts. To the extent that certain transactions between funds had not been paid or received as of June 30, 2020, balances of interfund amounts receivable or payable have been recorded. To the extent that these balances are between Governmental Funds, they have been eliminated on the statement of net position.

J. ADVANCE TO OTHER FUNDS

The long term advance from the General Fund to the HUD Fund represents operating capital for the City's entitlement program. This balance is distinct from routine interfund balances and will not be liquidated until the entitlement program is terminated. The long term advance from General Fund to other funds represents balances that are not expected to be repaid within one year.

K. INVENTORIES

Inventories in Proprietary Funds are adjusted to annual and periodic physical counts and are valued at cost using the first-in, first-out method (FIFO) of valuation. Inventory in the Sales Tax 2013 Fund, which is valued at cost first-in, first-out method (FIFO), consists of wetland credits held for construction.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

L. PREPAID EXPENDITURES/EXPENSES

Payments made to various vendors for items or services for a future period beyond June 30, 2020 are recorded as prepaid expenditure/expenses. The fund balances in the Governmental Fund types attributable to prepaid expenditures are classified as nonspendable. This reflects the amount of fund balance not currently available for expenditure.

M. RESTRICTED ASSETS

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

N. INTANGIBLE ASSETS

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

O. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold for reporting capital assets at \$5,000 and \$250,000 for infrastructure assets. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date received. The City patched and resurfaced several roads during the current year that are considered general maintenance. The City reports only infrastructure acquired or constructed after June 30, 1980 in accordance with GASB Statement 34.

Expenditures for maintenance and repairs which do not add to the value of the assets or materially extend their lives are expensed as incurred. However, expenditures for repairs and upgrading which do materially add to the value or life of an asset are capitalized.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

During the current fiscal year, the City incurred total interest of \$1,789,984.

Depreciation is provided on the straight-line basis over the estimated useful lives.

The estimated useful lives are as follows:

Assets	Life (Years)
Water System	30-50
Sewer System	30-50
Buildings	15-50
Machinery and Equipment	05-10
Vehicles	01-05
Infrastructure	10-20
Land Improvement	30-50

P. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from City service. In Governmental Fund types, the cost of vacation benefits is recognized when payments are made to employees. A long-term liability of accrued vacation benefits at June 30, 2020 has been recorded in the government wide statements representing the City's commitment to fund such costs from future operations.

Q. LONG-TERM OBLIGATIONS

Long-term liabilities for GEFA borrowings are recorded in the Enterprise Funds. Principal and accrued interest are recorded as liabilities. Principal and interest payments are deducted from the liability as made. A long term liability has been recorded in the government wide statements for a capital lease. See Note 9 for additional information.

R. PENSION FUND

Annual costs of the pension plan are actuarially computed and include amortization of past service costs over a period of 30 years. The City's policy is to fund the annual pension costs in the annual budget.

S. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any items that qualify for reporting in this category.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The following amounts are deferred and recognized as an inflow of resources in the period that the amounts become available:

Unavailable Resources	General	CVDA	Other Governmental	Total
Property Taxes	\$375,097	\$4,983	\$0	\$380,080
Paving Assessments	45,387	0	0	45,387
Miscellaneous	331,632	0	2,149	333,781
DOT	15,505	0	68,558	84,063
Franchise	6,382	0	0	6,382
LAG	77,054	0	0	77,054
Grants	3,716	0	139,698	143,414
Total	<u>\$854,773</u>	<u>\$4,983</u>	<u>\$210,405</u>	<u>\$1,070,161</u>

T. FUND BALANCE

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

action of the City Commission through the adoption of a resolution. Only the City Commission may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Commission has authorized the City’s Chief Financial Officer, Finance Director, or Director of Administrative Services to assign fund balances.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

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

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 2. DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS, INVESTMENTS (INCLUDING REPURCHASE AGREEMENTS), AND REVERSE REPURCHASE AGREEMENTS

A. DEPOSITS

At year end, the carrying amount of the City's deposits was \$16,204,391 and the bank balance was \$18,382,328. In addition, the City also had \$6,000 in petty cash.

Custodial Credit Risk

Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's deposit policy is to require all its deposits in excess of FDIC insurance to be collateralized with securities held by the City or by its agent in the City's name. Of the bank balance, \$299,652, was covered by federal depository insurance and \$18,082,676 was covered by collateral held by the government or agent in the government's name.

Interest Rate Risk

The City has an investment policy that limits the maturities on individual investments to no more than five years and weighted average maturity to no more than three years. Reserve funds may be invested in longer term securities if the maturities coincide with the expected use of the funds. The investments at June 30, 2020 meet our investment policy restrictions.

Credit Risk

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Concentration Credit Risk

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

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

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

The carrying amount of deposits for CVDA, a blended component unit, was \$49,452 and the bank balance was \$52,329. In addition, the CVDA also had \$200 in petty cash.

The CVDA does not have a deposit policy. Of the bank balance, \$52,329 was covered by Federal Depository Insurance.

B. INVESTMENTS

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

<u>Form of Deposit</u>	<u>Carrying Amount</u>
Investment in Georgia Fund 1	\$4,982,744
Certificate of Deposit	7,401
Total	<u>\$4,990,145</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Georgia Fund I, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAA rated money market funds. Georgia Fund I receives regulatory oversight from the State Treasurer of the State of Georgia. However, Georgia Fund I operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company and is not rated. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share.

The Authority does not have investment policies.

The following is a summary of the differences between carrying amount of cash and investments as shown above and on the financial statement of the primary government:

	Cash on Deposit	Investments
Cash in Bank	\$16,204,391	\$4,982,744
Petty Cash and Change	6,000	0
Cash and Investments on Hand	16,210,391	4,982,744
Fiduciary Assets	119,252	7,401
	<u>\$16,329,643</u>	<u>\$4,990,145</u>
Non Restricted	\$15,220,818	\$4,990,145
Restricted	1,108,825	0
Balance per Financial Statement	<u>\$16,329,643</u>	<u>\$4,990,145</u>

The following is a summary of the differences between carrying amount of cash and investments as shown above and on the financial statement of the blended component unit:

CVDA	Cash on Deposit
Balance per Footnote Above	\$49,452
Petty Cash	200
Balance per Financial Statement	<u>\$49,652</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 3. TAXES

Advalorem property tax revenue is recognized in compliance with the National Council on Governmental Accounting (NCGA) Interpretation 3, "Revenue Recognition-Property Taxes". This interpretation states that property tax revenue is recorded when it becomes available. Available means when due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. The City's 2019 property taxes, levied September 15, 2019 on a 40% assessed valuation as of the lien date January 1, 2019, were due November 15, 2019. The levy for 2019 is as follows:

<u>Type of Levy</u>	<u>Rate per \$1,000 of Assessed Value</u>	<u>Legal Maximum</u>
General Operations	13.3697	
Less Sales Tax Rebate	5.5607	
Net for General Operations	7.8090	10.00
Schools	16.751	20.0
Central Valdosta Development Authority	5.0	15.0

Property taxes levied for the current year are available and are therefore recognized as revenue. The City's property tax collection records show that most of the property taxes due are collected during the fiscal year of the levy. Property tax received is reduced by an allowance for uncollectible accounts which is computed on the outstanding receivable at June 30, 2020 per the following table:

95% of the 2010 Levy
95% of the 2011 Levy
95% of the 2012 Levy
95% of the 2013 Levy
95% of the 2014 Levy
80% of the 2015 Levy
70% of the 2016 Levy
60% of the 2017 Levy
50% of the 2018 Levy
25% of the 2019 Levy

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Taxes receivable at June 30, 2020 consist of the following:

Property Taxes	General Fund	CVDA
2010	\$862	\$38
2011	1,848	139
2012	2,238	5
2013	2,363	5
2014	5,152	5
2015	9,551	232
2016	11,948	5
2017	23,233	5
2018	103,953	2,131
2019	475,172	5,144
	<u>636,320</u>	<u>7,709</u>
Sales Taxes	768,469	0
Franchise Taxes	<u>125,352</u>	<u>0</u>
Total Taxes Receivable	1,530,141	7,709
Less Allowance for Uncollectible	<u>(196,330)</u>	<u>(2,726)</u>
	<u><u>\$1,333,811</u></u>	<u><u>\$4,983</u></u>

The property taxes for the City are collected by the Lowndes County Tax Commissioner's Office and remitted to the City monthly. The Commission disburses the tax money received to each unit of government. Therefore, there is no receivable set up for the school levy since it is disbursed to the School Board.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE. 4 INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivables and payables including advances at June 30, 2020 are as follows:

Payables	General Fund	CVDA	Non Major Governmental Funds	Enterprise Funds	Internal Service Funds	Total
General Fund	\$0	\$2,578	\$330,000	\$1,394,570	\$1,448,595	\$3,175,743
SPLOST 13	32,724	0	0	0	0	32,724
Sanitation	773,331	0	0	0	0	773,331
Department of Labor	1,146,016	0	0	0	0	1,146,016
Non Major Governmental Funds	503,353	0	0	0	0	503,353
Internal Service Funds	5,513,332	0	0	0	0	5,513,332
Total	\$7,968,756	\$2,578	\$330,000	\$1,394,570	\$1,448,595	\$11,144,499

All interfund balances are due to routine interfund transactions that were not paid or received at June 30, 2020 as discussed in Note 1. Advances are long term in nature.

The above analysis included advances from General Fund to the HUD Fund in the amount of \$30,000, the Sanitation Fund in the amount of \$623,331, the Department of Labor Fund in the amount of \$963,872, and the Motor Pool Fund in the amount of \$4,063,333. Advances are long term in nature and are not expected to be repaid with one year. All advances except to the Motor Pool are to provide operating capital. The advance to the Motor Pool is attributable to the acquisition of capital assets and will be recovered over the lives of the assets acquired.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Primary Government				
	Beginning Balance	Additions	Retirements	Reclass	Ending Balance
Governmental Activities:					
Non-depreciable assets					
Land	\$77,109,294	\$0	\$0	\$0	\$77,109,294
Construction in progress	1,247,466	4,080,887	0	(718,376)	924,702
Total non-depreciable assets	78,356,760	4,080,887	0	(718,376)	78,033,996
Depreciable assets					
Land improvements	13,785,090	0	0	0	13,785,090
Buildings	29,005,149	9,600	0	0	29,014,749
Equipment	8,731,220	290,149	1,499,543	0	7,521,826
Motor vehicles	20,619,290	2,159,526	809,658	0	21,969,158
Infrastructure	107,539,428	596,219	0	718,376	108,854,023
Total depreciable assets	179,680,177	3,055,494	2,309,201	718,376	181,144,846
Total at historical cost	258,036,937	7,136,381	2,309,201	0	259,178,842
Less accumulated depreciation for:					
Land improvements	7,286,924	410,510	0	0	7,697,434
Buildings	11,078,916	627,489	0	0	11,706,405
Equipment	6,960,560	554,845	1,499,542	0	6,015,863
Motor vehicles	12,922,307	1,618,606	808,810	0	13,732,103
Infrastructure	90,612,429	1,534,061	0	0	92,146,490
Total accumulated depreciation	128,861,136	4,745,511	2,308,352	0	131,298,295
Governmental activities capital assets, net	<u>\$129,175,801</u>	<u>\$2,390,870</u>	<u>\$849</u>	<u>\$0</u>	<u>\$127,880,547</u>
Business-type activities:					
Non-depreciable assets					
Land	\$3,038,403	\$0	\$0	\$0	\$3,038,403
Construction in progress	4,452,028	5,842,970	7,429,609	(4,393,256)	2,157,408
Total non-depreciable assets	7,490,431	5,842,970	7,429,609	(4,393,256)	5,195,811
Depreciable assets					
Land improvements	156,893,144	3,036,352	945,977	4,393,256	163,376,775
Buildings	110,961,947	0	5,083,558	0	105,878,389
Equipment	5,116,598	198,379	0	0	5,314,977
Intangibles	1,161,791	0	0	0	1,161,791
Total depreciable assets	274,133,480	3,234,731	6,029,535	4,393,256	275,731,932
Total at historical cost	<u>281,623,911</u>	<u>9,077,701</u>	<u>13,459,144</u>	<u>0</u>	<u>280,927,743</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Less accumulated depreciation for:

Land improvements	\$40,502,663	\$3,170,861	\$945,980	\$0	\$0	\$42,727,544
Buildings	24,700,273	2,705,326	5,083,558	0	0	22,322,041
Equipment	4,437,192	228,951	0	0	0	4,666,143
Intangibles	361,885	38,633	0	0	0	400,518
Total accumulated depreciation	<u>70,002,013</u>	<u>6,143,771</u>	<u>6,029,538</u>	<u>0</u>	<u>0</u>	<u>70,116,246</u>
Business-type activities capital assets, net	<u>\$211,621,898</u>	<u>\$2,933,930</u>	<u>\$7,429,606</u>	<u>\$0</u>	<u>\$3,685,275</u>	<u>\$210,811,497</u>

Depreciation/amortization expense was charged to governmental functions as follows:

Governmental Depreciation:

General Government	\$4,128,563
Finance	1,890
Engineering	14,566
Public Safety	586,620
Public Works	13,872
Total governmental depreciation	<u>4,745,511</u>

Business-type Depreciation:

Sanitation	33,009
Water & Sewer	5,946,399
Inspections	1,297
Department of Labor	89,110
Storm Water	73,956
Total business-type depreciation/ amortization	<u>6,143,771</u>
Total depreciation expense	<u>\$10,889,283</u>

Internal Service Funds predominantly serve governmental funds. Accordingly, \$25,680,984 in capital assets, \$16,715,970 in accumulated depreciation, and \$1,776,841 in current depreciation in these funds are included in the above totals for governmental activities.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 6. PENSION PLAN

PLAN DESCRIPTION

The City's defined benefit pension plan, the City of Valdosta Retirement Plan (the Plan), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303, or by calling (404) 688-0472. This is an agent multiple employer plan.

Employees Covered Under the Plan

Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	329
Inactive employees entitled to but not yet receiving benefits	98
Active employees	<u>569</u>
 Total covered employees	 <u><u>996</u></u>

Funding Policy

Employees are required to contribute to the Plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the City contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards.

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

At June 30, 2020, the City reported a liability of \$53,033,465 as its net pension liability. The net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. The City's net pension liability was based on the projection of the City's long-term contributions to the pension plan, actuarially determined at January 1, 2020.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

The following is a schedule reconciles the differences between the beginning and ending net pension liability for the year ended June 30, 2020:

Changes in Net Pension Liability	Total Pension Liability (TPL)	Fiduciary Net Position (FNP)	Net Pension Liability (NPL)
	(a)	(b)	(a) - (b)
Balances at September 30, 2018*	\$ 88,897,261	\$ 46,421,412	\$ 42,475,849
Changes for the year:			
Service cost	1,413,080	-	1,413,080
Interest	6,515,504	-	6,515,504
Differences between expected and actual experience	2,547,179	-	2,547,179
Contributions - employer	-	5,512,755	(5,512,755)
Contributions - employee	-	558,848	(558,848)
Net investment income	-	1,430,524	(1,430,524)
Benefit payments, including refunds of employee contributions	(6,873,906)	(6,873,906)	-
Administrative expense	-	(127,501)	127,501
Other	7,456,479	-	7,456,479
Net changes	11,058,336	500,720	10,557,616
Balances at September 30, 2019**	<u>\$ 99,955,597</u>	<u>\$ 46,922,132</u>	<u>\$ 53,033,465</u>

*Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2019 are used to measure TPL as of September 30, 2018. The balances as of September 30, 2018 constitute measurements of the NPL for the fiscal year ending June 30, 2019.

**Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2020 are used to measure TPL as of September 30, 2019. The balances as of September 30, 2019 constitute measurements of the NPL for the fiscal year ending June 30, 2020.

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

For the year ended June 30, 2020, the City recognized pension expense of \$5,714,848. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or methods, and plan benefits. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,417,183	\$ (340,041)
Changes of assumptions	6,594,370	-
Net difference between projected and actual earnings on pension plan investments	-	(360,348)
City contributions subsequent to the measurement date	<u>3,783,038</u>	<u>-</u>
Total	<u>\$ 12,794,591</u>	<u>\$ (700,389)</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to the net pension liability to be recognized in future periods in a systematic and rational manner, as detailed below.

\$3,738,038 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2021	\$ 1,850,944
2022	1,969,807
2023	2,086,438
2024	2,403,975
2025	-
Thereafter	<u>-</u>
Total	<u>\$ 8,311,164</u>

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 10 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% of the amount that the value exceeds or is less than market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

Inflation	2.75%
Net Investment Rate of Return	7.38%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age:	
<i>Normal</i>	65 with 5 years of service
<i>Early</i>	55 with 10 years of service
Mortality:	
<i>Healthy</i>	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.
<i>Disabled</i>	RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
<i>Plan termination basis (all lives)</i>	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2020 through June 30, 2014.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

The 7.38% long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.41%
International equity	20%	6.96%
Real estate	10%	4.76%
Global Fixed Income	5%	3.06%
Domestic Fixed Income	20%	1.96%
Cash	0%	
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.38%, which is the same as the long-term expected rate of return. The projection of cash flows used to determine the discount rate assumed that contributions from the City will continue to be made at the recommended rates each year, actuarially determined. Based on that assumption, the pension fund's fiduciary net position was projected to be available to make all projected future benefit payments. In theory, the discount rate may differ from the long-term expected rate of return discussed previously. However, based on the projected availability of the pension plan investments, and it was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City's net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Net pension liability	<u>\$ 64,414,285</u>	<u>\$ 53,033,465</u>	<u>\$ 43,485,116</u>

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7. DEFERRED COMPENSATION PLAN

City of Valdosta Deferred Compensation Plan

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

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City of Valdosta maintains another post-employment benefit plan, the City of Valdosta Other Post-Employment Benefits Plan (the OPEB Plan"), which includes retirees from the City of Valdosta. In accordance with City ordinance, the City's personnel policy provides that all employees who retire under early, normal or disability retirement are eligible for confirmed health care benefits provided they have a total of 25 consecutive years of employment. The monthly cost, as of July 1, 2009, for retiree is \$165 and the cost for retiree plus spouse is \$280. Employees who retire receive the same group health insurance benefits as active employees. Effective September 1, 2009, Medicare eligible employees are converted to a third party plan at which time Medicare assigns the subsidy and rights to pay claims to the third party plan provider. At June 30, 2020, 163 retirees participated in the plan, paying a monthly premium of \$77 - \$280. However, their dental is the same group coverage as active employees. This is a single employer plan.

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

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

The City's self-insured health plan, City of Valdosta Group Insurance, provides medical and hospitalization benefits for two classes of retirees. Retirees who retired before July 1, 2009 with twenty-five years of continuous service are eligible for health insurance paid by the City. All other retirees must pay a monthly premium of \$77 - \$280 to participate in the plan. The plan is administered by the Plan Administrator, with United American, an Administrative Service Agent, acting as claims paying agent. The Mayor and City Council has the authority to amend the plan. The City contributions are financed on a pay-as-you-go basis. During the current year, the City expended \$860,439 for retirees' health insurance for 163 participants. In addition, 33 participants were covered.

Employees Covered by Benefit Terms –

Retired members currently receiving benefits	163
Vested terminated members entitled to but not yet receiving benefits	-
Active members	<u>594</u>
Total covered employees	<u><u>757</u></u>

Actuarial Assumptions –

Actuarial Assumptions:

Inflation	2.25%
Salary Increases	3.00% to 8.50%, including inflation
Discount Rate	3.50%
Healthcare cost trend rates	Non-Medicare Advantage Health: 6.50% trended down to 4.50% by 2026 Medicare Advantage: 4.00% Dental: 4.00%
Health Mortality Rates	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forwards two year for males and one year for females

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period November-December 2019.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Changes in Total OPEB Liability –

	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2019*	\$ 30,233,747	\$ -	\$ 30,233,747
Changes for the year:			-
Service cost	598,329	-	598,329
Interest	1,176,172	-	1,176,172
Differences between expected and actual experience	(451,195)	-	(451,195)
Changes of Assumptions	12,653,653	-	12,653,653
Contributions - employer	(880,075)	880,075	(1,760,150)
Change of benefit terms	-	-	-
Benefit payments, including refunds of employee contributions	-	(880,075)	880,075
Administrative expense	-	-	-
Other	-	-	-
Net changes	13,096,884	-	13,096,884
Balances at June 30, 2020	<u>\$ 43,330,631</u>	<u>\$ -</u>	<u>\$ 43,330,631</u>

Discount Rate -

Discount rate -Since the City funds this Plan on a pay-as-you-go basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 3.50%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2019.

The following presents the City's net OPEB liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

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	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability (Asset)	\$ 51,599,555	\$ 43,330,631	\$ 36,858,241

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rates		
	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability (Asset)	\$ 36,149,575	\$ 43,330,631	\$ 52,724,129

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB –

For the year ended June 30, 2020, the City recognized an actuarial expense against its OPEB liability of \$1,910,318. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 10,845,990	\$ (3,809,263)
Net difference between projected and actual experience in the Total OPEB Liability	-	(2,297,831)
City contributions subsequent to the measurement date	860,439	-
Total	\$ 11,706,429	\$ (6,107,094)

\$860,439 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the

CITY OF VALDOSTA, GEORGIA
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total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2021	\$ 135,822
2022	135,822
2023	135,822
2024	845,012
2025	1,743,209
Thereafter	1,743,209
Total	\$ 4,738,896

These calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The actuarial calculations of the OPEB plan reflect a longer-term perspective. The Schedule of Funding Progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing relative to the actuarial accrued liability.

The City participates in the POAB and the Georgia Firefighter's pension. There is no material impact on revenue to the City from either.

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Governmental Funds					
Other Post Employment Benefits	\$30,233,747	\$14,428,154	\$1,331,270	\$43,330,631	\$0
Total OPEB	\$30,233,747	\$14,428,154	\$1,331,270	\$43,330,631	\$0

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 9. LONG TERM DEBT

The City is subject to a statutory limitation by the State of Georgia for bonded indebtedness, payable principally from property taxes to an amount not greater than 10% of the assessed value of all taxable property within the municipality. At June 30, 2020, the limit for the City was \$148,999,645

Long term bonded debt of the City is as follows:

Enterprise Funds	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
4.19% Department of Labor Building.					
Original issue amount \$4,410,000.	\$1,148,000	\$0	\$233,000	\$915,000	\$233,000
Total Notes	<u>\$1,148,000</u>	<u>\$0</u>	<u>\$233,000</u>	<u>\$915,000</u>	<u>\$233,000</u>

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

The annual requirement to amortize this bond series as of June 30, 2020, including interest of \$75,964 on the Bond Series 2003 is as follows:

Year Ended June 30	Principal	Interest	Total
2021	233,000	33,457	266,457
2022	233,000	23,694	256,694
2023	233,000	13,932	246,932
2024	216,000	4,881	220,881
Total	<u>\$915,000</u>	<u>\$75,964</u>	<u>\$990,964</u>

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The liability for compensated absences and other post employment benefits of the City is as follows:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Enterprise Funds					
Accrued vacation	\$512,699	\$554,862	\$512,699	\$554,862	\$266,777
Internal Service Funds					
Accrued vacation	57,276	56,316	57,276	56,316	24,056
Governmental Funds					
Accrued vacation	1,650,782	1,766,649	1,650,782	1,766,649	774,525
Other Post Employment Benefits	30,233,747	14,428,154	1,331,270	43,330,631	0
Total	\$32,454,504	\$16,798,852	\$3,552,027	\$45,701,329	\$1,065,358

Compensated absences, pension liabilities, and OPEB liabilities are generally liquidated by the General Fund.

The City of Valdosta has entered into a contract for nine loans with Georgia Environmental Facilities Authority for an aggregate loan balance of \$104,695,587. Payments for these loans are repaid quarterly or monthly. In addition, the City has entered into one additional contract to finance water and sewer projects. As of June 30, 2020, no draws had been made on this loan in progress.

Loan Name	Loan Amount	Payment Period
DW97036P	\$4,285,812	August 1, 2007 to November 1, 2023
CW08003ARRA	6,142,659	July 1, 2011 to July 1, 2031
CW08003PHI	12,500,000	July 1, 2011 to July 1, 2031
CW08003ARRAPHII	1,200,000	August 1, 2011 to August 1, 2031
CW08003PHII	12,709,794	August 1, 2012 to August 1, 2032
2006L53WJ	14,028,996	April 1, 2011 to April 1, 2031
CW13-006	37,767,770	June 1, 2017 to June 1, 2037
2013-L31WJ	10,551,369	February 1, 2018 to February 1, 2038
GF2017012	5,509,187	January 1, 2020 to December 31, 2039

The amount in due to other Governments and Agencies in the Sanitation and Water/Sewer Funds, net of current portion, is the balance of these loans payable at June 30, 2020. GEFA retitles notes as modifications are made.

CITY OF VALDOSTA, GEORGIA
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Georgia Environmental Facilities Loans

Loan #	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
DW97036P	\$1,339,430	\$0	\$295,959	\$1,043,471	\$151,329
CWSRF 08003					
ARRA	4,139,156	0	288,577	3,850,579	147,564
CWSRF 08003					
PHI	8,422,974	0	587,239	7,835,735	300,283
CWSRF 08003					
ARRA PHII	813,228	0	56,234	756,994	28,755
CWSRF 08003					
PHII	9,191,319	0	578,024	8,613,295	295,572
2006-L53WJ	10,501,258	0	703,287	9,797,971	362,640
CW13-006	24,461,923	0	4,510,120	19,951,803	946,184
2013-L31WJ	9,994,314	0	429,635	9,564,679	218,711
GF2017012	4,964,027	545,160	108,096	5,401,091	109,394
Totals	\$73,827,629	\$545,160	\$7,557,171	\$66,815,618	\$2,560,432

The requirements to amortize the Georgia Environmental Facilities Loans debt outstanding with the exception of the pending notes as of June 30, 2020 is as follows:

Fiscal Year Ending June 30	Loan # DW97-036		Loan # CW08-003 ARRA PHI		Loan # CW08-003 PHI	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$151,329	\$15,087	\$147,564	\$56,838	\$300,283	\$115,665
2022	309,528	23,304	301,842	106,963	614,233	217,663
2023	318,919	13,913	311,022	97,782	632,916	198,980
2024	263,695	4,237	320,483	88,321	652,165	179,731
2025	0	0	330,231	78,573	672,004	159,892
2026-2030	0	0	1,808,068	235,956	3,679,324	480,155
2031-2035	0	0	631,369	15,903	1,284,811	32,365
2036-2038	0	0	0	0	0	0
Totals	\$1,043,471	\$56,541	\$3,850,579	\$680,336	\$7,835,736	\$1,384,451

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Fiscal Year Ending June 30	Loan # CWSRF08-003 ARRA PHII		Loan # CWSRF08-003 PHII		Loan # 2006-L53WJ	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$28,755	\$11,176	\$295,572	\$127,357	\$362,640	\$198,739
2022	58,819	21,043	604,595	241,264	748,043	374,714
2023	60,608	19,254	622,983	222,875	779,449	343,308
2024	62,453	17,409	641,933	203,925	812,179	310,578
2025	64,352	15,510	661,456	184,402	846,277	276,480
2026-2030	352,333	46,977	4,413,328	661,823	4,795,171	818,615
2031-2035	129,674	3,430	1,373,428	36,337	1,454,212	42,800
2036-2038	0	0	0	0	0	0
Totals	\$756,994	\$134,799	\$8,613,295	\$1,677,983	\$9,797,971	\$2,365,234

Fiscal Year Ending June 30	Loan # CW13-006		Loan # 2013-1WJ		Loan # GF2017012	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$946,184	\$136,906	\$218,711	\$113,685	\$109,394	\$64,000
2022	1,912,340	253,839	445,368	219,425	222,746	124,042
2023	1,939,284	226,895	456,175	208,618	228,128	118,660
2024	1,966,610	199,569	467,244	197,549	233,641	113,147
2025	1,994,320	171,859	478,584	186,209	239,286	107,502
2026-2030	10,401,106	429,785	2,572,850	751,115	1,286,007	447,933
2031-2035	791,958	2,522	2,900,529	423,436	1,449,071	284,869
2036-2038	0	0	2,025,218	79,961	1,632,818	101,126
Totals	\$19,951,802	\$1,421,375	\$9,564,679	\$2,179,998	\$5,401,091	\$1,361,279

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

Fiscal Year Ending June 30	Total All Loans	
	Principal	Interest
2021	\$2,560,432	\$939,453
2022	5,217,514	1,582,257
2023	5,349,484	1,450,285
2024	5,420,403	1,314,466
2025	5,286,510	1,180,427
2026-2030	29,308,187	3,872,359
2031-2035	10,015,052	841,662
2036-2038	3,658,036	181,087
Totals	\$66,815,618	\$11,261,996

The present interest rates range from 1.4% to 4.12%. This debt has been issued to improve and maintain the City's water system.

Police Department Capital Lease

The City of Valdosta entered into a capital lease agreement on November 12, 2019, with Dell for computer equipment for the Police Department. The total lease payments are \$117,234 with annual interest imputed at 2.86%, payable in three annual payments of \$37,232 and one final payment of \$5,539.

The annual requirement to amortize the Dell Capital Lease Agreement outstanding balance as of June 30, 2020, is as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$34,954	\$2,278	\$37,232
2022	36,012	1,220	37,232
2023	5,518	21	5,539
Total	\$76,484	\$3,519	\$80,003

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FOR THE YEAR ENDED JUNE 30, 2020

Governmental Funds	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Dell Computer Lease					
Original Issue Amount \$110,770	\$0	\$110,770	\$34,286	\$76,484	\$34,954
	<u>\$0</u>	<u>\$110,770</u>	<u>\$34,286</u>	<u>\$76,484</u>	<u>\$34,954</u>

Police Department Capital Lease

The City of Valdosta entered into a capital lease agreement on July 21, 2017, with Motorola for body cameras for the Police Department. The total lease payments are \$448,172, with annual interest imputed at 3.0%, payable in payments of \$68,750, \$120,162, and 3 payments of \$86,420.

The annual requirement to amortize the Dell Capital Lease Agreement outstanding balance as of June 30, 2020, is as follows:

Year Ended June 30	Principal	Interest	Total
2021	\$81,392	\$5,028	\$86,420
2022	83,034	3,386	86,420
2023	84,710	1,710	86,420
Total	<u>\$249,136</u>	<u>\$10,124</u>	<u>\$259,260</u>

Governmental Funds	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Body Cameras					
Original Issue Amount \$422,219	\$361,991	\$0	\$112,855	\$249,136	\$81,391
	<u>\$361,991</u>	<u>\$0</u>	<u>\$112,855</u>	<u>\$249,136</u>	<u>\$81,391</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Motor Pool Fund Capital Lease

The City of Valdosta entered into a capital lease agreement on February 23, 2016, with GMA, funded by BB&T Governmental Finance Project Funds, to finance the purchase of four firetrucks for the Fire Department in the amount of \$1,932,479. The total lease payments are \$2,215,661 with a variable interest rate. The current annual interest rate imputed at 2.73%, payable in ten annual payments of \$222,468.

The annual requirement to amortize the GMA Lease Agreement outstanding balance as of June 30, 2020, is as follows:

<u>Enterprise Funds</u>	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Due Within One Year</u>
Four Sutphen Firetrucks.					
Original issue amount \$1,932,479	\$1,400,250	\$0	\$184,240	\$1,216,010	\$189,271
Total Notes	<u>\$1,400,250</u>	<u>\$0</u>	<u>\$184,240</u>	<u>\$1,216,010</u>	<u>\$189,271</u>

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$189,271	\$33,197	\$222,468
2022	194,438	28,030	222,468
2023	199,746	22,722	222,468
2024	205,199	17,269	222,468
2025	210,801	11,667	222,468
2026	216,555	5,913	222,468
Total	<u>\$1,216,010</u>	<u>\$118,798</u>	<u>\$1,334,808</u>

Motor Pool Fund Capital Lease

The City of Valdosta entered into a capital lease agreement on February 13, 2019, with GMA, funded by BB&T Governmental Finance Project Funds, to finance the purchase of two firetrucks for the Fire Department in the amount of \$2,561,946. The total lease payments are \$3,177,897 with an imputed interest rate. The current annual interest rate imputed at 3.74%, payable in ten annual payments of \$311,790.

The annual requirement to amortize the GMA Lease Agreement outstanding balance as of June 30, 2020, is as follows:

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<u>Enterprise Funds</u>	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Due Within One Year</u>
Two Sutphen Firetrucks.					
Original issue amount \$2,561,946	\$2,561,946	\$0	\$215,973	\$2,345,973	\$224,050
Total Notes	<u>\$2,561,946</u>	<u>\$0</u>	<u>\$215,973</u>	<u>\$2,345,973</u>	<u>\$224,050</u>

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$224,050	\$87,740	\$311,790
2022	232,430	79,360	311,790
2023	241,123	70,667	311,790
2024	250,141	61,649	311,790
2025	259,496	52,294	311,790
2026-2029	1,138,733	108,427	1,247,160
Total	<u>\$2,345,973</u>	<u>\$460,137</u>	<u>\$2,806,110</u>

Lease Amortization Expense

The total accumulated amortization expense for governmental leases was \$459,240 and business type leases was \$1,945,974 as of June 30, 2020. The total current amortization expense for governmental leases was \$153,080 and business type leases was \$691,355 for fiscal year 2020. These leased assets are included in Note 5 as depreciation expense.

NOTE 10. FUND BALANCE

The City records five categories of fund balance as defined in Note 1 section U. The five types are nonspendable, restricted, committed, assigned and unassigned.

Nonspendable Fund Balance is classified by amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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	General Fund	Sales Tax 2013	Sales Tax 2019	CVDA	Non-Major Governmental Funds	Total
Nonspendable. The following fund balances are nonspendable:						
Long term receivables	\$4,440,823	\$0	\$0	\$0	\$0	\$4,440,823
Required to be maintained in tact	0	0	0	0	1,760,138	1,760,138
	<u>4,440,823</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,760,138</u>	<u>6,200,961</u>
Restricted. The following fund balances are restricted for:						
Public safety	112,825	0	0	0	39,929	152,754
Land Bank Authority	77,054	0	0	0	0	77,054
Community development	0	0	0	51,331	0	51,331
NPDES permitting	51,748	0	0	0	0	51,748
Redevelopment	0	0	0	0	1,595,228	1,595,228
Youth programs	0	0	0	0	347,901	347,901
Capital outlay	0	4,403,617	0	0	1,226,469	5,630,086
	<u>241,627</u>	<u>4,403,617</u>	<u>0</u>	<u>51,331</u>	<u>3,209,527</u>	<u>7,906,102</u>
Committed. The following fund balances are committed:						
Committed for urban forestry	10,767	0	0	0	0	10,767
	<u>10,767</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,767</u>
Assigned. The following fund balances are assigned to:						
Tourism development	0	0	0	0	1,547,358	1,547,358
Capital Improvement	0	2,976,041	4,292,004	0	1,917,998	9,186,043
	<u>0</u>	<u>2,976,041</u>	<u>4,292,004</u>	<u>0</u>	<u>3,465,356</u>	<u>10,733,401</u>
Unassigned. The following balances are unassigned:						
	(359,886)	0	0	0	(324,852)	(684,738)
	<u>(359,886)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(324,852)</u>	<u>(684,738)</u>
Total Fund Balance	<u>\$4,333,331</u>	<u>\$7,379,658</u>	<u>\$4,292,004</u>	<u>\$51,331</u>	<u>\$8,110,169</u>	<u>\$24,166,493</u>

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11. CONTINGENT LIABILITIES

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

Due to the lag time between expenses being incurred and claims submitted for payment there is a liability at June 30, 2020, against the self-insurance fund. This incurred but not reported (IBNR) liability is estimated to be \$900,000. This number was calculated by analyzing the plan's payment lag and projecting the resulting trend into the next fiscal year.

NOTE 12. INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources to provide services. The Internal Service Funds record charges for services to all City departments and funds as operating revenue. Both Governmental and Proprietary Funds record these payments to the Internal Service Funds as operating expenses/expenditures. The remaining transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financial sources (uses) in the Governmental Funds and transfers section in the Proprietary Funds.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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Transfers between fund types during the year ended June 30, 2020, were:

	Transfers In	Transfers Out
General Fund	\$3,577,536	\$1,014,791
Sanitation Fund	0	277,611
Water and Sewer Fund	0	2,382,227
Storm Water Fund	0	177,138
Other Governmental Funds	0	1,140,763
Department of Labor Fund	0	200,000
Other Enterprise Funds	340,763	130,475
Internal Service Funds	1,404,706	0
	<u>\$5,323,005</u>	<u>\$5,323,005</u>

General Fund transferred \$1,012,549 to Group Insurance. Sanitation transferred \$131,111 to Group Insurance. Water and Sewer transferred \$195,191 to Group Insurance. Storm Water transferred \$33,138 to Group Insurance. Accommodations Tax transferred \$340,763 to the Auditorium Fund. Inspection transferred \$22,413 to Group Insurance. The Auditorium Fund transferred \$8,062 to Group Insurance. All transfers to Group Insurance were to fund medical claims incurred in excess of revenue received. All other transfers were to the General Fund. Transfers to the General Fund are to fund the cost of administrative and support services provided to other funds.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 13. JOINT VENTURES

Under Georgia Law, the City, in conjunction with other cities and counties in the three county South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2020, the City paid \$75,104 in such dues. Membership in the Commission is required by the official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission of Georgia. The Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Commission.

The Commission revenues are sufficient to cover its operating costs and the City does not expect the entity to dissolve in the foreseeable future. The Commission is neither accumulating significant financial resources nor experiencing fiscal stress that may cause an additional financial benefit to or burden upon the City.

Separate financial statements may be obtained from:

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

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; injury to participants at city facilities; and natural disasters. The City is self-insured for workman's compensation, certain types of property damage, and general liability. These liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liabilities include an amount for claims that have been incurred but not reported (IBNR). At June 30, 2020, there is no known liability.

The City is also self-insured for medical claims by the employees and employees' dependents that are covered under the medical plan. The plan is a self-funded welfare benefit plan providing health and hospitalization benefits. Claims under the plan are paid solely from the general assets of the City of Valdosta. Losses greater than \$150,000 per aggregate individual claim are insured by a private insurance company. The plan is administered by the Plan Administrator, with UMR, Inc., an Administrative Service Agent, acting as claims paying agent. The City of Valdosta and employees' contributions cover the cost of the plan. The City's contributions and any employee pretax contributions withheld by way of payroll deduction are held by the City and used to pay the plan's benefits. Any after-tax employee contributions may be held in trust by the trustee. The

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

amount of all such contributions are actuarially determined where necessary. As previously stated in Note 11, there is a liability of \$900,000 recorded for those medical claims incurred but not reported. Changes in the balances of the claimed liabilities during the past two fiscal years are as follows:

	Unpaid claims, beginning of fiscal year	Incurred claims (including IBNR's)	Claim payments	Unpaid claims, end of fiscal year
June 30, 2019	\$1,101,768	\$5,993,603	\$(6,002,191)	\$1,093,180
June 30, 2020	1,093,180	5,314,399	(5,250,913)	1,156,666

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

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

Claims Exceeding Commercial Coverage for the Year Ended June 30:

2019	\$0
2018	0
2017	0

NOTE 15. DEPARTMENT OF LABOR BUILDING OPERATING LEASE

The Georgia Department of Labor (DOL), as a department of the State Government of Georgia, entered into a long-term lease with the City of Valdosta. The structure was built-to-suit the needs of the State for the Georgia Department of Labor.

The Georgia Department of Labor agrees to pay the City of Valdosta a fixed monthly rent of \$39,096. The DOL has an option of renewing or extending the agreement on a year to year basis for nineteen (19) consecutive years. Total remaining rents amount to \$2,345,745. The City of Valdosta will, at their sole cost, service, replace, keep and maintain in good order and repair each and every portion of the existing premises. In addition, the City is responsible for providing various insurance coverages. The building's cost is \$4,394,543 and its carrying amount is \$2,993,517. Depreciation on the building amounts to \$89,110 annually.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 16. ACCOMMODATIONS TAX

The City collects and disburses an accommodations tax in accordance with the provisions with OCGA 48-13-51. The total rate of 7% generated \$2,620,871, net of vendor's compensation of \$79,964, in tax receipts and was allocated as follows: \$1,122,479, or 40% of the first 5% and 50% of the remaining 2%, to the Valdosta/Lowndes County Tourism Authority, \$210,000 to the Valdosta/Lowndes Conference Center, \$393,366 to the Airport Authority, \$25,000 to the Public Art Society, \$25,000 to the Historical Society, \$7,533 for administrative expenses, and \$190,000 to the Turner Arts Center. The remainder of \$647,493 was retained by the City and will be spent in accordance with legal provisions.

NOTE 17. ACCOUNTING CHANGES

FUNDS OPENED

The SPLOST 2019 Fund was opened effective January 1, 2020.

FUNDS CLOSED

None.

NOTE 18. CONSTRUCTION COMMITMENTS

The City has active construction projects as of June 30, 2020. The projects include the expansion and maintenance of the City's water and sewer system. At year end, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Electrical Improvements of Wells 4,6,and 7	\$535,987	\$89,331

NOTE 19. TAX ABATEMENTS

During the fiscal year ended June 30, 2020, the City of Valdosta did not enter into any tax abatement agreements. The City is subject to tax abatements granted by the Valdosta-Lowndes Development Authority, an entity created by the City of Valdosta and Lowndes County. The authorities stated purpose is to build and grow businesses in the Valdosta-Lowndes County area. During the fiscal year 2020, the authority abated taxes to four businesses within the City. The Authority entered into these agreements to encourage new business as well as expansion to existing

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

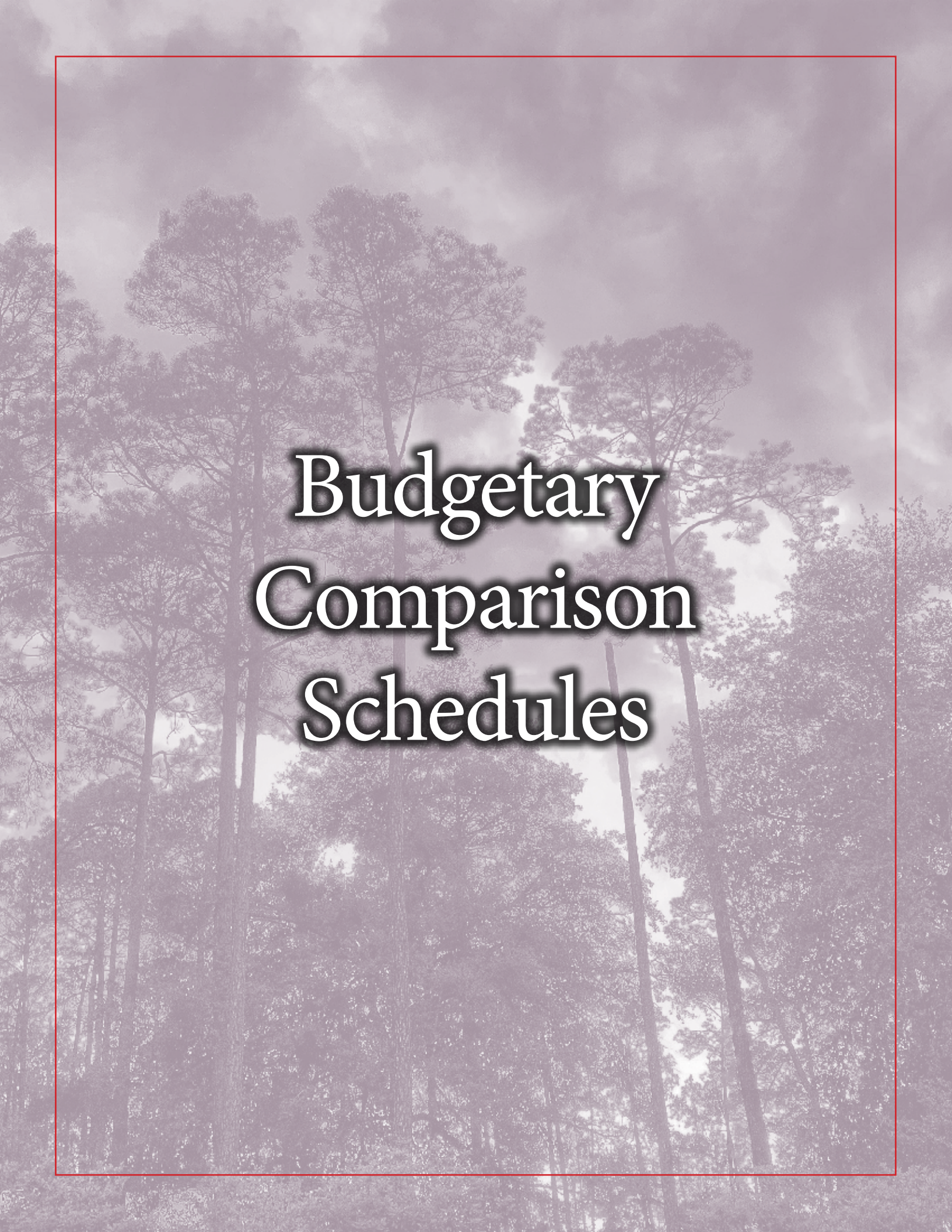
businesses. The total taxes abated for the year were \$16,506. Information relevant to disclosure of these abatements of the fiscal year ended June 30, 2020 is:

Type of Business	Property Taxes Abated during the Fiscal Year
Chemical Producing Company	\$922
Chemical Producing Company	4,961
Battery Manufacturer	3,007
Packaging Company	7,616
	\$16,506

NOTE 20. SUBSEQUENT EVENT

The COVID – 19 pandemic developed rapidly in 2020 and measures to contain the virus have had significant impacts on economic activity across the country. The City of Valdosta has taken and continues to take measures to monitor and mitigate the effects of the virus. These measures include but are not limited to the acquisition of personal protective equipment, the implementation of social distancing, and temporarily limiting access to City facilities. The City will continue to follow CDC guidance to safeguard the wellbeing of its citizens and employees.

While the current pandemic has impacted certain revenues, most notable accommodations tax, the City has received assistance from the state of Georgia in the form of Cares funding and has not seen a significant impact to its overall fiscal condition.

The background of the slide is a photograph of a dense forest of tall, thin trees, likely pines or cypresses, reaching towards a cloudy sky. The entire image is framed by a thin red border. The text is centered over the middle of the image.

Budgetary Comparison Schedules

CITY OF VALDOSTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Taxes	\$32,939,184	\$32,939,184	\$32,752,385	(\$186,799)
Licenses and permits	529,000	529,000	509,315	(19,685)
Charges for services	166,900	166,900	126,887	(40,013)
Fines and forfeitures	1,018,000	1,018,000	822,440	(195,560)
Interest income	40,000	40,000	43,328	3,328
Contributions and donations	500	500	2,300	1,800
Miscellaneous	323,800	323,800	74,509	(249,291)
Intergovernmental	1,649,767	1,681,982	1,357,395	(324,587)
Capital leases	0	0	117,235	117,235
Transfer in	4,157,536	4,157,536	3,577,536	(580,000)
TOTAL REVENUES	40,824,687	40,856,902	39,383,330	(1,473,572)
Expenditures:				
Current:				
General government	9,630,806	9,737,494	8,854,903	882,591
Public safety	26,832,012	26,846,813	25,322,388	1,524,425
Public works	2,645,216	2,645,281	2,572,314	72,967
Economic development and assistance	821,011	822,751	906,759	(84,008)
Debt service principal	237,437	245,061	165,191	79,870
Debt service interest	0	0	10,648	(10,648)
Transfer out	1,013,264	1,013,264	1,014,791	(1,527)
TOTAL EXPENDITURES	41,179,746	41,310,664	38,846,994	2,463,670
REVENUES OVER (UNDER) EXPENDITURES	(355,059)	(453,762)	536,336	990,098
Fund balance - beginning of year budgetary basis	1,658,344	1,658,344	1,658,344	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$1,303,285	\$1,204,582	\$2,194,680	\$990,098

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$39,383,330

Differences - budget to GAAP:

Transfers from other funds are inflows for budgetary resources but are not revenues for financial reporting purposes.

(3,577,536)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$35,688,559

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$38,846,994

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

(16,838)

Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.

(1,014,791)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$37,815,365

**CITY OF VALDOSTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
CENTRAL VALDOSTA DEVELOPMENT AUTHORITY
FOR YEAR ENDED JUNE 30, 2020**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Taxes	\$92,000	\$92,000	\$85,560	(\$6,440)
Interest income	0	0	98	98
Contributions	9,000	9,000	12,214	3,214
Miscellaneous	1,000	1,000	761	(239)
	TOTAL REVENUES	102,000	98,633	(3,367)
Expenditures:				
General Government	102,000	102,000	104,828	(2,828)
	TOTAL EXPENDITURES	102,000	104,828	(2,828)
	REVENUES OVER (UNDER) EXPENDITURES	0	(6,195)	(6,195)
Fund Balance - beginning of year - budgetary basis	57,526	57,526	57,526	0
FUND BALANCE - END OF YEAR	\$57,526	\$57,526	\$51,331	(\$6,195)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$98,633

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in net positions - governmental funds.

\$98,633

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$104,828

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in net positions - governmental funds.

\$104,828

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1. BUDGETARY BASIS OF ACCOUNTING

The Budget Data in the schedules were prepared on a Non-GAAP budgetary basis. The difference between the GAAP basis and the budgetary basis is the inclusion of encumbrances as expenditures.

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<i><u>Total pension liability</u></i>										
Service cost	\$ 1,413,080	\$ 1,311,813	\$ 1,086,275	\$ 1,128,876	\$ 1,186,364	\$ 1,168,292				
Interest	6,515,504	6,460,190	6,282,650	6,096,193	5,796,872	5,621,355				
Differences between expected and actual experience	2,547,179	(566,737)	641,340	614,516	1,329,502	414,792				
Changes of assumptions	7,456,479	0	1,572,966	0	(4,587,307)	5,432,537				
Changes of benefit terms	0	0	0	0	0	0				
Benefit payments, including refunds of employee contributions	(6,873,906)	(6,264,126)	(5,387,133)	(5,480,240)	(5,005,586)	(4,979,503)				
Net change in total pension liability	11,058,336	941,140	4,196,098	2,359,345	(1,280,155)	7,657,473				
Total pension liability - beginning	88,897,261	87,956,121	83,760,023	81,400,678	82,680,833	75,023,360				
Total pension liability - ending (a)	<u>\$ 99,955,597</u>	<u>\$ 88,897,261</u>	<u>\$ 87,956,121</u>	<u>\$ 83,760,023</u>	<u>\$ 81,400,678</u>	<u>\$ 82,680,833</u>				
<i><u>Plan fiduciary net position</u></i>										
Contributions - employer	\$ 5,512,755	\$ 4,278,310	\$ 3,981,181	\$ 4,474,678	\$ 3,146,917	\$ 3,402,750				
Contributions - employee	558,848	556,129	490,871	366,280	355,472	333,321				
Net investment income	1,430,524	4,242,588	5,779,324	3,952,625	471,566	3,877,248				
Benefit payments, including refunds of employee contributions	(6,873,906)	(6,264,126)	(5,387,133)	(5,480,240)	(5,005,586)	(4,979,503)				
Administrative expense	(127,501)	(122,993)	(131,920)	(75,213)	(83,287)	(67,292)				
Other	0	0	0	0	0	0				
Net change in fiduciary net position	500,720	2,689,908	4,732,323	3,238,130	(1,114,918)	2,566,524				
Plan fiduciary net position - beginning	46,421,412	43,731,504	38,999,181	35,761,051	36,875,969	34,309,445				
Plan fiduciary net position - ending (b)	<u>\$ 46,922,132</u>	<u>\$ 46,421,412</u>	<u>\$ 43,731,504</u>	<u>\$ 38,999,181</u>	<u>\$ 35,761,051</u>	<u>\$ 36,875,969</u>				
Net pension liability - ending (a)-(b)	<u>\$ 53,033,465</u>	<u>\$ 42,475,849</u>	<u>\$ 44,224,617</u>	<u>\$ 44,760,842</u>	<u>\$ 45,639,627</u>	<u>\$ 45,804,864</u>				
Plan's fiduciary net position as a percentage of the total pension liability	46.94%	52.22%	49.72%	46.56%	43.93%	44.60%				
Covered payroll	\$ 23,735,198	\$ 24,387,924	\$ 23,419,149	\$ 20,841,771	\$ 21,525,912	\$ 19,640,929				
Net pension liability as a percentage of covered payroll	223.44%	174.17%	188.84%	214.77%	212.02%	233.21%				

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF PENSION CONTRIBUTIONS - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Required Employer Contribution	5,444,446	5,078,703	4,183,365	3,904,094	3,600,000	3,516,500				
Contributions recognized by the pension plan	5,444,446	5,078,703	4,183,365	3,904,094	3,600,000	3,516,500				
Contribution deficiency (excess)	-	-	0	0	0	0	(Hist info pr to impl of GASB 68 is not required)			
Covered payroll	23,735,198	24,387,924	25,440,527	24,102,953	22,036,245	22,009,376				
Contributions as a percentage of covered payroll	22.94%	20.82%	16.44%	16.20%	16.34%	15.98%				

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<u><i>Total OPEB liability</i></u>										
Service cost	\$598,329	\$1,288,098	\$1,524,705							
Interest	1,176,172	1,295,555	1,111,230							
Differences between expected and actual experience	(451,195)	(2,537,347)	(439,063)							
Changes of assumptions	12,653,653	(2,851,834)	(3,816,076)							
Changes of benefit terms	0	(1,303,614)	0	(Historical information prior to implementation of GASB 74 & 75 is not required)						
Benefit payments, including refunds of employee contributions	(880,075)	(1,115,378)	(776,672)							
Net change in total OPEB liability	13,096,884	(5,224,520)	(2,395,876)							
Total OPEB liability - beginning	30,233,747	35,458,267	37,854,143							
Total OPEB liability - ending (a)	<u>\$43,330,631</u>	<u>\$30,233,747</u>	<u>\$35,458,267</u>							
<u><i>Plan fiduciary net position</i></u>										
Contributions - employer	\$880,075	\$1,115,378	\$776,672							
Contributions - employee	0	0	0							
Net investment income	0	0	0							
Benefit payments, including refunds of employee contributions	(880,075)	(1,115,378)	(776,672)	(Historical information prior to implementation of GASB 74 & 75 is not required)						
Administrative expense	0	0	0							
Other	0	0	0							
Net change in fiduciary net position	0	0	0							
Plan fiduciary net position - beginning	0	0	0							
Plan fiduciary net position - ending (b)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>							
Net pension OPEB - ending (a)-(b)	<u>\$43,330,631</u>	<u>\$30,233,747</u>	<u>\$35,458,267</u>							
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	(Historical information prior to implementation of GASB 74 & 75 is not required)						
Covered payroll	\$23,419,149	\$21,525,912	\$20,841,771							
Net OPEB liability as a percentage of covered payroll	185.02%	140.45%	170.13%							

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF OPEB CONTRIBUTIONS - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	2,861,945	1,812,332	2,619,382	3,667,792	3,428,378	4,520,756	4,183,653	5,049,620	4,737,346	3,881,477
Contributions in relation to the actuarially determined contribution	880,075	880,075	1,115,378	776,672	990,141	1,220,203	1,273,383	421,097	505,671	1,041,252
Contribution deficiency (excess)	1,981,870	932,257	1,504,004	2,891,120	2,438,237	3,300,553	2,910,270	4,628,523	4,231,675	2,840,225
Covered payroll	23,735,198	23,419,149	21,525,912	21,525,912	21,525,912	19,143,280	19,143,280	18,493,053	18,493,053	18,116,280
Contributions as a percentage of covered payroll	3.71%	3.76%	5.18%	3.61%	4.60%	6.37%	6.65%	2.28%	2.73%	5.75%

Non-Major Governmental Funds

Special Revenue Funds

Confiscated Funds - to account for confiscated funds collected by the City of Valdosta's Police Department.

Property Evidence Fund - to account for property collected by the City of Valdosta's Police Department.

U.S. Department of Justice Local Law Enforcement Block Grants - to account for local Law Enforcement Block Grant funds from the U.S. Department of Justice which are to be used to purchase equipment in the City's Police Department.

Urban Development Action Grant Fund - to account for funds received in accordance with Title I, Section 119, of the Housing and Community Development Act of 1974. Funds are designated for the use of financing second mortgages for qualified buyers.

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

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

GA DCA CHIP 06M-X-092-2-2951 - to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction credits for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

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

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

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

Accommodation Tax Fund - this fund accounts for hotel/ motel tax monies received by the City. These funds are used to promote tourism in Valdosta and Lowndes County. By statute, 40% of collections must go to the Tourism Authority. The remainder is used to fund the City's contributions to the Conference Center, Airport Authority, and Industrial Authority.

Capital Project Funds

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

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

TSPLOST Fund - to account for financing mid construction of various road improvement projects. These improvements will be financed in whole or in part by the city's discretionary share of a 1% regional sales tax levied for the purpose of improving the road system in the Southern Georgia Region in accordance with the Georgia Transportation Investment Act (TIA).

General Capital Projects Fund - to account for the financing of various capital improvement projects.

Permanent Fund

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

CITY OF VALDOSTA, GEORGIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2020

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
ASSETS				
Cash	\$33,549	\$3,711	\$12,930	\$17,709
Investments	2,867	0	0	0
Receivables (net)	0			
Accounts	0	0	0	0
Taxes	0	0	0	0
Second mortgages	0	0	0	45,075
Due from other funds	0	0	0	0
Due from other governments and agencies	0	0	0	0
Total assets	<u>\$36,416</u>	<u>\$3,711</u>	<u>\$12,930</u>	<u>\$62,784</u>
LIABILITIES				
Liabilities:				
Vouchers and accounts payable	198	0	0	0
Due to:				
Other funds	0	0	12,930	0
Advances from other funds	0	0	0	0
Total liabilities	<u>198</u>	<u>0</u>	<u>12,930</u>	<u>0</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances (deficits):				
Nonspendable	0	0	0	0
Restricted	36,218	3,711	0	62,784
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total fund balances (deficits)	<u>36,218</u>	<u>3,711</u>	<u>0</u>	<u>62,784</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$36,416</u>	<u>\$3,711</u>	<u>\$12,930</u>	<u>\$62,784</u>

SPECIAL REVENUE FUNDS

GA DCA CHIP 02M-X-092-2-2695	HUD FEDERAL GRANT	GA DCA CHIP 06M-X-092-2-2951	GA DCA CHIP 07M-X-092-2-2961	GA DCA CHIP 07MR-X-092-2-2979
\$0	\$116,706	\$0	\$0	\$0
0	0	0	0	0
0	4,252	0	0	0
0	0	0	0	0
3,600	1,316,165	0	19,600	15,000
0	0	0	0	0
0	212,027	0	0	0
<u>\$3,600</u>	<u>\$1,649,150</u>	<u>\$0</u>	<u>\$19,600</u>	<u>\$15,000</u>
0	73,712	0	0	0
0	236,162	0	0	0
0	30,000	0	0	0
<u>0</u>	<u>339,874</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	101,684	0	0	0
0	0	0	0	0
3,600	1,532,444	0	19,600	15,000
0	0	0	0	0
0	(324,852)	0	0	0
<u>3,600</u>	<u>1,207,592</u>	<u>0</u>	<u>19,600</u>	<u>15,000</u>
<u>\$3,600</u>	<u>\$1,649,150</u>	<u>\$0</u>	<u>\$19,600</u>	<u>\$15,000</u>

**CAPITAL
PROJECTS
FUND**

GA DCA CHIP 2016-116	ACCOMMODATIONS TAX	AIRPORT DEVELOPMENT	ROAD IMPROVEMENT FUND	GENERAL CAPITAL PROJECTS	TSPLOST 2018
\$1,934	\$30,586	\$3,079	\$1,226,469	\$572	\$1,142,394
0	1,676,831	505,644	0	21,163	0
0	190,887	0	0	0	0
0	0	0	0	0	61,744
307,767	0	0	0	0	0
0	0	0	0	230,000	0
0	0	226,425	0	0	0
<u>\$309,701</u>	<u>\$1,898,304</u>	<u>\$735,148</u>	<u>\$1,226,469</u>	<u>\$251,735</u>	<u>\$1,204,138</u>
0	134,279	158,857	0	0	0
0	216,667	0	0	0	0
0	0	0	0	0	7,594
<u>0</u>	<u>350,946</u>	<u>158,857</u>	<u>0</u>	<u>0</u>	<u>7,594</u>
0	0	106,572	0	0	0
0	0	0	0	0	0
309,701	0	0	1,226,469	0	0
0	1,547,358	469,719	0	251,735	1,196,544
0	0	0	0	0	0
<u>309,701</u>	<u>1,547,358</u>	<u>469,719</u>	<u>1,226,469</u>	<u>251,735</u>	<u>1,196,544</u>
<u>\$309,701</u>	<u>\$1,898,304</u>	<u>\$735,148</u>	<u>\$1,226,469</u>	<u>\$251,735</u>	<u>\$1,204,138</u>

SUNSET HILL PERMANENT FUND	TOTAL OTHER GOVERNMENTAL FUNDS
\$21,884	\$2,611,523
1,639,198	3,845,703
1,205	196,344
0	61,744
0	1,707,207
100,000	330,000
0	438,452
<u>\$1,762,287</u>	<u>\$9,190,973</u>
0	367,046
0	465,759
0	37,594
<u>0</u>	<u>870,399</u>
2,149	210,405
1,760,138	1,760,138
0	3,209,527
0	3,465,356
0	(324,852)
<u>1,760,138</u>	<u>8,110,169</u>
<u>\$1,762,287</u>	<u>\$9,190,973</u>

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICITS)
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Interest income	66	0	0	0
Contributions	0	0	0	0
Intergovernmental	0	0	16,532	0
Fines and forfeitures	761	0	0	0
Miscellaneous revenues	0	0	0	0
TOTAL REVENUES	827	0	16,532	0
Expenditures:				
Current:				
General government	0	0	0	0
Public safety	278	0	16,532	0
Economic development and assistance	0	0	0	0
Capital outlay	0	0	0	0
TOTAL EXPENDITURES	278	0	16,532	0
REVENUES OVER (UNDER) EXPENDITURES	549	0	0	0
Other financing sources (uses):				
Transfers out	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	0	0	0	0
NET CHANGE IN FUND BALANCES	549	0	0	0
Fund balances beginning of year	35,669	3,711	0	62,784
FUND BALANCES END OF YEAR	\$36,218	\$3,711	\$0	\$62,784

SPECIAL REVENUE FUNDS

GA DCA CHIP 02M-X-092-2-2695	FEDERAL HUD GRANT	GA DCA CHIP 06M-X-092-2-2951	GA DCA CHIP 07M-X-092-2-2961
\$0	\$0	\$0	\$0
0	0	0	0
0	0	0	0
0	518,007	0	0
0	0	0	0
0	0	0	0
0	518,007	0	0
0	0	0	0
0	0	0	0
2,400	599,377	14,700	18,700
0	142,469	0	0
2,400	741,846	14,700	18,700
(2,400)	(223,839)	(14,700)	(18,700)
0	0	0	0
0	0	0	0
(2,400)	(223,839)	(14,700)	(18,700)
6,000	1,431,431	14,700	38,300
\$3,600	\$1,207,592	\$0	\$19,600

**CAPITAL
PROJECTS
FUND**

GA DCA CHIP 07MR-X-092-2-2979	GA DCA CHIP 2016-116	ACCOMMODATIONS TAX	AIRPORT DEVELOPMENT	ROAD IMPROVEMENT FUND
\$0	\$0	\$2,699,081	\$0	\$0
0	0	1,753	0	0
0	0	0	0	0
0	0	0	1,263,646	1,119,179
0	0	0	0	0
0	0	0	0	0
0	0	2,700,834	1,263,646	1,119,179
0	0	2,053,341	0	0
0	0	0	0	0
11,000	90,927	0	0	0
0	0	0	1,323,669	301,444
11,000	90,927	2,053,341	1,323,669	301,444
(11,000)	(90,927)	647,493	(60,023)	817,735
0	0	(1,140,763)	0	0
0	0	(1,140,763)	0	0
(11,000)	(90,927)	(493,270)	(60,023)	817,735
26,000	400,628	2,040,628	529,742	408,734
\$15,000	\$309,701	\$1,547,358	\$469,719	\$1,226,469

GENERAL CAPITAL PROJECTS	TSPLOST 2018	SUNSET HILL PERMANENT FUND	TOTAL OTHER GOVERNMENTAL FUNDS
\$0	\$0	\$0	\$2,699,081
0	0	3,175	4,994
0	0	8,800	8,800
0	700,274	0	3,617,638
0	0	0	761
0	0	25,472	25,472
0	700,274	37,447	6,356,746
0	0	8,268	2,061,609
0	0	0	16,810
0	0	0	737,104
0	7,594	0	1,775,176
0	7,594	8,268	4,590,699
0	692,680	29,179	1,766,047
0	0	0	(1,140,763)
0	0	0	(1,140,763)
0	692,680	29,179	625,284
251,735	503,864	1,730,959	7,484,885
\$251,735	\$1,196,544	\$1,760,138	\$8,110,169

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET			VARIANCE OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Current Operations:				
General government				
Administration				
Mayor and council				
Personal services	\$213,472	\$213,716	\$213,716	\$0
Contractual services	127,055	127,055	184,922	(57,867)
Supplies	15,300	27,805	27,803	2
Travel and training	208,136	198,887	127,512	71,375
Other services and charges	203,337	207,887	190,530	17,357
	767,300	775,350	744,483	30,867
City manager				
Personal services	420,460	427,990	428,604	(614)
Contractual services	60,946	55,826	55,821	5
Supplies	6,900	8,340	8,336	4
Travel and training	12,800	10,450	10,418	32
Other services and charges	42,892	41,392	38,197	3,195
	543,998	543,998	541,376	2,622
Elections				
Contractual services	50,000	50,000	26,016	23,984
	50,000	50,000	26,016	23,984
City attorney				
Other services and charges	300,000	300,000	181,584	118,416
	300,000	300,000	181,584	118,416
Solicitor				
Other services and charges	85,000	85,000	63,903	21,097
	85,000	85,000	63,903	21,097
Indigent Defense				
Other services and charges	30,000	30,000	9,328	20,672
	30,000	30,000	9,328	20,672
TOTAL ADMINISTRATION	1,776,298	1,784,348	1,566,690	217,658
Human resources department				
Administration				
Personal services	342,221	346,367	346,366	1
Contractual services	5,964	4,864	4,054	810
Supplies	8,100	13,401	13,400	1
Travel and training	13,711	5,793	4,761	1,032
Other services and charges	61,562	59,962	53,161	6,801
	431,558	430,387	421,742	8,645
Employee incentives/assistance				
Personal services	5,000	5,000	3,750	1,250
	\$5,000	\$5,000	\$3,750	\$1,250

(Continued)

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET		ACTUAL	VARIANCE OVER (UNDER)
	ORIGINAL	FINAL		
Risk division				
Contractual services	\$35,642	\$35,642	\$27,902	\$7,740
Other services and charges	30,474	30,474	12,258	18,216
	66,116	66,116	40,160	25,956
TOTAL HUMAN RESOURCES	502,674	501,503	465,652	35,851
Finance department				
Finance director				
Personal services	198,024	194,821	190,315	4,506
Contractual services	1,446	1,446	975	471
Supplies	350	524	524	0
Travel and training	4,950	4,776	3,885	891
Other services and charges	79,425	82,628	82,628	0
	284,195	284,195	278,327	5,868
Accounting division				
Personal services	446,318	444,874	419,883	24,991
Contractual services	5,051	6,053	6,049	4
Supplies	2,550	3,887	3,885	2
Travel and training	3,820	2,925	1,755	1,170
Other services and charges	85,172	85,172	62,592	22,580
	542,911	542,911	494,164	48,747
Budget division				
Personal services	174,391	177,286	177,283	3
Contractual services	1,734	644	540	104
Supplies	2,460	2,460	1,342	1,118
Travel and training	2,212	407	130	277
Other services and charges	13,978	13,978	12,800	1,178
	194,775	194,775	192,095	2,680
Customer service division				
Personal services	610,087	611,674	611,671	3
Contractual services	141,472	133,372	107,709	25,663
Supplies	12,190	16,504	15,362	1,142
Travel and training	1,405	1,405	698	707
Other services and charges	162,376	157,375	122,373	35,002
	927,530	920,330	857,813	62,517
Business License				
Personal services	50,756	50,756	51,807	(1,051)
Contractual services	34,100	44,312	47,879	(3,567)
Supplies	535	3,703	7,501	(3,798)
Travel and training	1,515	830	826	4
Other services and charges	18,080	12,585	12,579	6
	104,986	112,186	120,592	(8,406)
Purchasing division				
Personal services	150,770	150,770	150,433	337
Contractual services	2,842	2,842	1,511	1,331
Supplies	1,885	1,885	792	1,093
Travel and training	2,730	2,730	1,384	1,346
Other services and charges	14,638	14,638	12,677	1,961
	172,865	172,865	166,797	6,068
TOTAL FINANCE	\$2,227,262	\$2,227,262	\$2,109,788	\$117,474

(Continued)

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET		ACTUAL	VARIANCE OVER (UNDER)
	ORIGINAL	FINAL		
Engineering department				
Engineering division				
Personal services	\$689,493	\$685,248	\$565,530	\$119,718
Contractual services	12,491	11,128	9,957	1,171
Supplies	8,029	10,469	9,981	488
Travel and training	6,368	2,249	2,249	0
Other services and charges	63,517	70,804	72,818	(2,014)
Capital outlay	0	11,434	0	11,434
	<u>779,898</u>	<u>791,332</u>	<u>660,535</u>	<u>130,797</u>
Signal Maintenance				
Personal services	183,006	198,284	198,283	1
Contractual services	5,280	6,390	6,415	(25)
Supplies	77,707	62,429	19,900	42,529
Travel and training	1,590	1,590	311	1,279
Other services and charges	31,862	30,752	20,494	10,258
Capital Outlay	13,245	13,245	13,072	173
	<u>312,690</u>	<u>312,690</u>	<u>258,475</u>	<u>54,215</u>
Signs and Markings				
Personal services	153,385	153,780	152,130	1,650
Contractual services	3,274	3,322	3,321	1
Supplies	38,395	38,347	27,235	11,112
Travel and training	2,110	2,110	830	1,280
Other services and charges	10,332	9,937	9,858	79
	<u>207,496</u>	<u>207,496</u>	<u>193,374</u>	<u>14,122</u>
Traffic Mgt Center				
Personal services	296,997	297,389	297,389	0
Contractual services	1,419,880	1,419,880	1,508,362	(88,482)
Supplies	15,140	14,748	12,479	2,269
Travel and training	3,890	3,890	372	3,518
Other services and charges	51,132	51,132	30,971	20,161
Capital Outlay	53,480	53,480	46,245	7,235
	<u>1,840,519</u>	<u>1,840,519</u>	<u>1,895,818</u>	<u>(55,299)</u>
Street Repair				
Personal services	360,243	314,368	314,364	4
Contractual services	19,442	16,742	16,740	2
Supplies	17,559	16,729	16,727	2
Travel and training	2,310	170	160	10
Other services and charges	74,063	125,608	174,105	(48,497)
Capital Outlay	0	88,375	0	88,375
	<u>473,617</u>	<u>561,992</u>	<u>522,096</u>	<u>39,896</u>
TOTAL ENGINEERING	<u>\$3,614,220</u>	<u>\$3,714,029</u>	<u>\$3,530,298</u>	<u>\$183,731</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET		ACTUAL	VARIANCE OVER (UNDER)
	ORIGINAL	FINAL		
City hall				
Personal services	\$105,201	\$105,201	\$106,641	(\$1,440)
Contractual services	57,547	57,547	66,170	(8,623)
Supplies	5,580	5,580	10,325	(4,745)
Travel and training	17	17	0	17
Other services and charges	39,052	39,052	50,742	(11,690)
Capital Outlay	25,000	25,000	0	25,000
	<u>232,397</u>	<u>232,397</u>	<u>233,878</u>	<u>(1,481)</u>
City hall annex				
Personal services	47,391	49,101	49,095	6
Contractual services	86,913	86,913	73,609	13,304
Supplies	1,588	1,588	799	789
Other services and charges	16,372	14,662	9,937	4,725
	<u>152,264</u>	<u>152,264</u>	<u>133,440</u>	<u>18,824</u>
Customer service				
Contractual services	16,102	16,102	18,232	(2,130)
Supplies	1,000	1,000	1,200	(200)
Other services and charges	1,343	1,343	11,756	(10,413)
	<u>18,445</u>	<u>18,445</u>	<u>31,188</u>	<u>(12,743)</u>
Rental				
Contractual services	35,054	35,054	21,371	13,683
Supplies	2,150	5,475	5,471	4
Other services and charges	20,000	28,675	21,743	6,932
Capital Outlay	32,000	20,000	0	20,000
	<u>89,204</u>	<u>89,204</u>	<u>48,585</u>	<u>40,619</u>
TOTAL OTHER GENERAL				
ADMINISTRATIVE	<u>492,310</u>	<u>492,310</u>	<u>447,091</u>	<u>45,219</u>
Municipal court				
Administration				
Personal services	372,509	374,724	374,722	2
Contractual services	63,984	61,769	51,268	10,501
Supplies	18,225	27,901	17,303	10,598
Travel and training	14,400	14,400	7,682	6,718
Other services and charges	542,924	539,248	284,409	254,839
Capital Outlay	6,000	0	0	0
TOTAL MUNICIPAL COURT	<u>1,018,042</u>	<u>1,018,042</u>	<u>735,384</u>	<u>282,658</u>
TOTAL GENERAL GOVERNMENT	<u>9,630,806</u>	<u>9,737,494</u>	<u>8,854,903</u>	<u>882,591</u>
Public safety				
Police department				
Police administration division				
Personal services	813,223	850,203	850,198	5
Contractual services	150,100	124,500	112,722	11,778
Supplies	104,110	96,703	90,819	5,884
Travel and training	52,215	39,381	16,588	22,793
Other services and charges	218,488	219,725	592,773	(373,048)
Capital Outlay	47,000	47,000	0	47,000
	<u>1,385,136</u>	<u>1,377,512</u>	<u>1,663,100</u>	<u>(285,588)</u>
Patrol bureau division				
Personal services	7,374,705	7,374,705	7,160,201	214,504
Contractual services	183,724	183,990	149,046	34,944
Supplies	67,580	82,285	26,817	55,468
Travel and training	36,636	41,941	30,942	10,999
Other services and charges	1,117,025	1,120,914	1,025,644	95,270
	<u>\$8,779,670</u>	<u>\$8,803,835</u>	<u>\$8,392,650</u>	<u>\$411,185</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET			VARIANCE OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Investigative bureau division				
Personal services	\$2,003,444	\$2,003,444	\$1,779,485	\$223,959
Contractual services	47,439	47,439	41,786	5,653
Supplies	54,102	54,102	27,553	26,549
Travel and training	37,711	36,811	14,015	22,796
Other services and charges	237,917	238,817	197,394	41,423
	<u>2,380,613</u>	<u>2,380,613</u>	<u>2,060,233</u>	<u>320,380</u>
Training				
Personal services	409,676	415,505	415,503	2
Contractual services	9,191	9,364	9,363	1
Supplies	430,149	430,149	184,597	245,552
Travel and training	22,889	16,887	8,344	8,543
Other services and charges	32,290	32,290	17,408	14,882
	<u>904,195</u>	<u>904,195</u>	<u>635,215</u>	<u>268,980</u>
Support services bureau division				
Personal services	1,092,985	1,116,295	1,116,294	1
Contractual services	481,914	482,002	589,080	(107,078)
Supplies	59,120	44,140	44,339	(199)
Travel and training	9,720	7,190	5,484	1,706
Other services and charges	378,524	372,636	83,260	289,376
Capital outlay	0	0	117,234	(117,234)
Debt service	166,637	174,261	173,867	394
	<u>2,188,900</u>	<u>2,196,524</u>	<u>2,129,558</u>	<u>66,966</u>
Crime lab				
Personal services	932,220	932,220	826,555	105,665
Contractual services	197,051	188,968	174,769	14,199
Supplies	57,250	57,093	42,004	15,089
Travel and training	43,008	43,008	20,382	22,626
Other services and charges	88,629	88,629	77,079	11,550
Capital outlay	0	8,240	8,240	0
	<u>1,318,158</u>	<u>1,318,158</u>	<u>1,149,029</u>	<u>169,129</u>
TOTAL POLICE DEPARTMENT	<u>16,956,672</u>	<u>16,980,837</u>	<u>16,029,785</u>	<u>951,052</u>
Fire department				
Fire administration division				
Personal services	563,734	563,734	469,462	94,272
Contractual services	18,281	18,281	11,756	6,525
Supplies	15,282	15,282	8,047	7,235
Travel and training	22,502	22,502	12,116	10,386
Other services and charges	91,630	91,630	93,346	(1,716)
Capital Outlay	9,000	9,000	0	9,000
Capital Outlay	<u>720,429</u>	<u>720,429</u>	<u>594,727</u>	<u>125,702</u>
Fire fighting division				
Personal services	5,961,235	5,961,235	5,968,476	(7,241)
Contractual services	212,622	212,622	192,410	20,212
Supplies	174,090	174,090	202,696	(28,606)
Travel and training	40,050	40,050	12,410	27,640
Other services and charges	1,033,693	1,033,693	908,647	125,046
Capital Outlay	24,000	24,000	0	24,000
Debt service	70,800	70,800	1,983	68,817
	<u>7,516,490</u>	<u>7,516,490</u>	<u>7,286,622</u>	<u>229,868</u>
Fire inspection division				
Personal services	325,039	325,039	304,227	20,812
Contractual services	7,938	7,938	6,653	1,285
Supplies	33,500	33,500	17,818	15,682
Travel and training	6,373	6,373	2,923	3,450
Other services and charges	41,848	41,848	27,957	13,891
	<u>\$414,698</u>	<u>\$414,698</u>	<u>\$359,578</u>	<u>\$55,120</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
GENERAL FUND
FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET		ACTUAL	VARIANCE OVER (UNDER)
	ORIGINAL	FINAL		
Fire maintenance division				
Personal services	\$139,179	\$139,179	\$101,937	\$37,242
Contractual services	76,033	76,033	66,227	\$9,806
Supplies	75,341	75,341	72,467	\$2,874
Travel and training	4,500	4,500	0	\$4,500
Other services and charges	51,112	51,112	54,972	(\$3,860)
Capital Outlay	25,000	25,000	0	\$25,000
	<u>371,165</u>	<u>371,165</u>	<u>295,603</u>	<u>75,562</u>
Fire training division				
Personal services	212,480	212,480	194,485	17,995
Contractual services	22,960	22,960	31,006	(8,046)
Supplies	60,556	60,556	34,961	25,595
Travel and training	20,750	27,714	13,668	14,046
Other services and charges	58,200	51,236	20,304	30,932
Capital Outlay	15,000	15,000	19,677	(4,677)
	<u>389,946</u>	<u>389,946</u>	<u>314,101</u>	<u>75,845</u>
Special operations				
Personal services	78,531	78,531	19,612	58,919
Contractual services	1,320	1,320	561	759
Supplies	15,800	15,800	1,848	13,952
Travel and training	20,525	20,525	379	20,146
Other services and charges	7,790	7,790	5,065	2,725
	<u>123,966</u>	<u>123,966</u>	<u>27,465</u>	<u>96,501</u>
TOTAL FIRE DEPARTMENT	<u>9,536,694</u>	<u>9,536,694</u>	<u>8,878,096</u>	<u>658,598</u>
Other protection services				
Community protection				
Personal services	340,109	340,109	350,421	(10,312)
Contractual services	107,991	106,251	104,833	1,418
Supplies	2,350	2,350	4,176	(1,826)
Travel and training	8,752	8,777	3,795	4,982
Other services and charges	40,286	40,261	57,870	(17,609)
	<u>499,488</u>	<u>497,748</u>	<u>521,095</u>	<u>(23,347)</u>
Neighborhood development				
Personal services	67,700	67,700	51,980	15,720
Contractual services	922	922	1,209	(287)
Supplies	200	200	180	20
Travel and training	7,773	7,773	15,882	(8,109)
	<u>76,595</u>	<u>76,595</u>	<u>69,251</u>	<u>7,344</u>
TOTAL OTHER PROTECTION SERVICES	<u>576,083</u>	<u>574,343</u>	<u>590,346</u>	<u>(16,003)</u>
TOTAL PUBLIC SAFETY	<u>27,069,449</u>	<u>27,091,874</u>	<u>25,498,227</u>	<u>1,593,647</u>
Public works				
Public works department				
Right of way maintenance				
Personal services	1,408,981	1,408,981	1,314,682	94,299
Contractual services	118,150	118,150	122,349	(4,199)
Supplies	37,881	37,946	25,428	12,518
Travel and training	2,390	2,390	1,894	496
Other services and charges	262,929	262,929	346,627	(83,698)
Capital Outlay	8,500	8,500	8,480	20
	<u>1,838,831</u>	<u>1,838,896</u>	<u>1,819,460</u>	<u>19,436</u>
Cemetery division				
Personal services	448,241	448,241	439,800	8,441
Contractual services	22,754	27,704	26,893	811
Supplies	18,041	18,041	11,800	6,241
Travel and training	1,226	1,226	915	311
Other services and charges	80,232	75,282	76,198	(916)
	<u>\$570,494</u>	<u>\$570,494</u>	<u>\$555,606</u>	<u>\$14,888</u>

(Continued)

CITY OF VALDOSTA, GEORGIA
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGETARY LEVEL OF CONTROL - BUDGET TO ACTUAL COMPARISONS
 GENERAL FUND
 FOR THE YEAR ENDING JUNE 30, 2020

	BUDGET			VARIANCE OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Arborist				
Personal services	\$165,092	\$165,092	\$156,133	\$8,959
Contractual services	18,110	18,110	14,859	3,251
Supplies	10,705	10,705	7,273	3,432
Travel and training	2,105	2,105	757	1,348
Other services and charges	39,879	39,879	18,226	21,653
	<u>235,891</u>	<u>235,891</u>	<u>197,248</u>	<u>38,643</u>
TOTAL PUBLIC WORKS	<u>2,645,216</u>	<u>2,645,281</u>	<u>2,572,314</u>	<u>72,967</u>
Economic Development and Assistance				
Administration				
Personal services	101,265	101,265	87,715	13,550
Contractual services	5,256	2,640	1,559	1,081
Supplies	750	5,195	2,924	2,271
Travel and training	2,257	2,168	2,340	(172)
Other services and charges	10,400	10,400	12,893	(2,493)
	<u>119,928</u>	<u>121,668</u>	<u>107,431</u>	<u>14,237</u>
Public relations				
Personal services	134,054	134,054	143,116	(9,062)
Contractual services	15,853	12,135	11,230	905
Supplies	9,500	9,790	9,788	2
Travel and training	25,778	26,780	25,893	887
Other services and charges	38,544	40,970	31,779	9,191
	<u>223,729</u>	<u>223,729</u>	<u>221,806</u>	<u>1,923</u>
Main street division				
Personal services	71,516	71,516	88,292	(16,776)
Contractual services	193	193	197	(4)
Supplies	0	0	108,611	(108,611)
Other services and charges	19,413	19,413	11,853	7,560
	<u>91,122</u>	<u>91,122</u>	<u>208,953</u>	<u>(117,831)</u>
Planning and Zoning				
Personal services	298,284	298,284	274,978	23,306
Contractual services	6,856	6,856	12,417	(5,561)
Supplies	3,756	3,756	1,063	2,693
Travel and training	3,945	3,945	2,185	1,760
Other services and charges	34,313	34,313	37,732	(3,419)
Capital Outlay	12,500	12,500	12,000	500
	<u>359,654</u>	<u>359,654</u>	<u>340,375</u>	<u>19,279</u>
Great promise internship				
Other services and charges	26,578	26,578	28,194	(1,616)
	<u>26,578</u>	<u>26,578</u>	<u>28,194</u>	<u>(1,616)</u>
TOTAL ECONOMIC DEV AND ASSIST	<u>821,011</u>	<u>822,751</u>	<u>906,759</u>	<u>(84,008)</u>
TOTAL EXPENDITURES	<u>\$40,166,482</u>	<u>\$40,297,400</u>	<u>\$37,832,203</u>	<u>\$2,465,197</u>

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
CONFISCATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Fines and forfeitures	\$0	\$0	\$761	\$761
Interest	0	0	66	66
TOTAL REVENUES	0	0	827	827
Expenditures:				
Current:				
Public safety				
Police administration division				
Other services and charges	420	420	278	142
TOTAL EXPENDITURES	420	420	278	142
REVENUES OVER (UNDER) EXPENDITURES	(420)	(420)	549	969
Fund balance - beginning of year - budgetary basis	35,669	35,669	35,669	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$35,249	\$35,249	\$36,218	\$969

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$827

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$827

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$278

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$278

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
PROPERTY EVIDENCE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Fines and forfeitures		\$0	\$0	\$0	\$0
TOTAL REVENUES		0	0	0	0
Expenditures:					
Current:					
Public safety					
TOTAL EXPENDITURES		0	0	0	0
REVENUES OVER (UNDER) EXPENDITURES		0	0	0	0
Fund balance - beginning of year - budgetary basis		3,711	3,711	3,711	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$3,711	\$3,711	\$3,711	\$0
Explanation of Differences between Budgetary Inflows and Outflows and GAAP					
Revenues and Expenditures					
Sources/inflows of resources					
Actual revenues (budgetary basis) from the budgetary comparison schedule.				\$0	
Differences - budget to GAAP:					
None				0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$0	
Uses/outflows of resources					
Actual expenditures (budgetary basis) from the budgetary comparison schedule.				\$0	
Differences - budget to GAAP:					
None				0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$0	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
U. S. DEPARTMENT OF JUSTICE - LOCAL LAW ENFORCEMENT BLOCK GRANTS
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$16,712	\$16,532	(\$180)
TOTAL REVENUES	<u>0</u>	<u>16,712</u>	<u>16,532</u>	<u>(180)</u>
Expenditures:				
Current:				
Public safety				
Byrne Justice Assistance Grant				
2018-DJ-BX-0358				
Supplies	0	10,394	10,394	0
Travel and training	0	322	322	0
Other services and charges	0	5,996	5,816	180
TOTAL EXPENDITURES	<u>0</u>	<u>16,712</u>	<u>16,532</u>	<u>180</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - beginning of year - budgetary basis	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures			
Sources/inflows of resources			
Actual revenues (budgetary basis) from the budgetary comparison schedule.		\$16,532	
Differences - budget to GAAP:			
None		0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.		<u>\$16,532</u>	
Uses/outflows of resources			
Actual expenditures (budgetary basis) from the budgetary comparison schedule.		\$16,532	
Differences - budget to GAAP:			
None		0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.		<u>\$16,532</u>	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
URBAN DEVELOPMENT ACTION GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:		\$0	\$0	\$0	\$0
	TOTAL REVENUES	0	0	0	0
Expenditures:		0	0	0	0
	TOTAL EXPENDITURES	0	0	0	0
	REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0
Fund balance - beginning of year - budgetary basis		62,784	62,784	62,784	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$62,784	\$62,784	\$62,784	\$0
Explanation of Differences between Budgetary Inflows and Outflows and GAAP					
Revenues and Expenditures					
Sources/inflows of resources					
Actual revenues (budgetary basis) from the budgetary comparison schedule.				\$0	
Differences - budget to GAAP:					
None				0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$0	
Uses/outflows of resources					
Actual expenditures (budgetary basis) from the budgetary comparison schedule.				\$0	
Differences - budget to GAAP:					
None				0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$0	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 02M-X-092-2-2695
FOR THE YEAR ENDED JUNE 30, 2020

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Intergovernmental		\$0	\$2,400	\$0	(\$2,400)
TOTAL REVENUES		0	2,400	0	(2,400)
Expenditures:					
Current:					
Housing development activities					
Construction		0	2,400	2,400	0
TOTAL EXPENDITURES		0	2,400	2,400	0
REVENUES UNDER EXPENDITURES		0	0	(2,400)	(2,400)
Fund balance - beginning of year - budgetary basis		6,000	6,000	6,000	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$6,000	\$6,000	\$3,600	(\$2,400)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$0

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$0

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$2,400

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$2,400

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
FEDERAL HUD GRANT
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$668,771	\$668,771	\$518,007	(\$150,764)
TOTAL REVENUES	<u>668,771</u>	<u>668,771</u>	<u>518,007</u>	<u>(150,764)</u>
Expenditures:				
Current:				
Economic development and assistance				
Community development				
CDBG 2017 funding				
Small business loans	0	0	13,561	(13,561)
CDBG 2018 funding				
Fair housing education	0	0	4,500	(4,500)
Bulk trash amnesty	0	7,500	55	7,445
Single unit residential rehab	0	0	159,450	(159,450)
Continuing small business education	0	90,968	10,000	80,968
Community sidewalk project	0	3,358	150,000	(146,642)
CDBG 2019 funding				
Single unit residential rehab	0	33,873	235,311	(201,438)
Continuing small business education	0	10,000	20,000	(10,000)
Great promise partnership program	0	134,522	22,746	111,776
Program administration	50,963	4,584	133,754	(129,170)
Fair housing education	0	5,845	0	5,845
Demolition/clearance	617,808	295,293	0	295,293
Bulk trash amnesty	0	10,000	0	10,000
TOTAL EXPENDITURES	<u>668,771</u>	<u>595,943</u>	<u>749,377</u>	<u>(153,434)</u>
REVENUES OVER EXPENDITURES	<u>0</u>	<u>72,828</u>	<u>(231,370)</u>	<u>2,670</u>
Fund balance - beginning of year - budgetary basis	<u>1,281,431</u>	<u>1,281,431</u>	<u>1,281,431</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$1,281,431</u></u>	<u><u>\$1,354,259</u></u>	<u><u>\$1,050,061</u></u>	<u><u>\$2,670</u></u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$518,007

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$518,007

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$749,377

Differences - budget to GAAP:

Encumbrances for remaining fiscal year items are recorded current year for budgetary purposes, but in the year of actual payment for financial reporting purposes.

(7,531)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$741,846

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 06M-X-092-2-2951
FOR THE YEAR ENDED JUNE 30, 2020

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Intergovernmental		\$0	\$14,700	\$0	(\$14,700)
TOTAL REVENUES		0	14,700	0	(14,700)
Expenditures:					
Current:					
Housing development activities					
Construction		0	14,700	14,700	0
TOTAL EXPENDITURES		0	14,700	14,700	0
REVENUES UNDER EXPENDITURES		0	0	(14,700)	(14,700)
Fund balance - beginning of year - budgetary basis		14,700	14,700	14,700	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$14,700	\$14,700	\$0	(\$14,700)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$0

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$0

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$14,700

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$14,700

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 07M-X-092-2-2961
FOR THE YEAR ENDED JUNE 30, 2020

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Intergovernmental		\$0	\$18,700	\$0	(\$18,700)
TOTAL REVENUES		0	18,700	0	(18,700)
Expenditures:					
Current:					
Housing development activities					
Construction		0	18,700	18,700	0
TOTAL EXPENDITURES		0	18,700	18,700	0
REVENUES UNDER EXPENDITURES		0	0	(18,700)	(18,700)
Fund balance - beginning of year - budgetary basis		38,300	38,300	38,300	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$38,300	\$38,300	\$19,600	(\$18,700)
Explanation of Differences between Budgetary Inflows and Outflows and GAAP					
Revenues and Expenditures					
Sources/inflows of resources					
Actual revenues (budgetary basis) from the budgetary comparison schedule.				\$0	
Differences - budget to GAAP:					
None				0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$0	
Uses/outflows of resources					
Actual expenditures (budgetary basis) from the budgetary comparison schedule.				\$18,700	
Differences - budget to GAAP:					
None				0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				\$18,700	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 07MR-X-092-2-2979
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$11,000	\$0	(\$11,000)
TOTAL REVENUES	<u>0</u>	<u>11,000</u>	<u>0</u>	<u>(11,000)</u>
Expenditures:				
Housing development activities				
Construction	0	11,000	11,000	0
TOTAL EXPENDITURES	<u>0</u>	<u>11,000</u>	<u>11,000</u>	<u>0</u>
REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>(11,000)</u>	<u>(11,000)</u>
Fund balance - beginning of year - budgetary basis	<u>26,000</u>	<u>26,000</u>	<u>26,000</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u>\$26,000</u>	<u>\$26,000</u>	<u>\$15,000</u>	<u>(\$11,000)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$0

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$0

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$11,000

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$11,000

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 2016-116
FOR THE YEAR ENDED JUNE 30, 2020

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$90,927	\$0	(\$90,927)
TOTAL REVENUES	<u>0</u>	<u>90,927</u>	<u>0</u>	<u>(90,927)</u>
Expenditures:				
Housing development activities				
Construction	0	90,927	90,927	0
TOTAL EXPENDITURES	<u>0</u>	<u>90,927</u>	<u>90,927</u>	<u>0</u>
REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>(90,927)</u>	<u>(90,927)</u>
Fund balance - beginning of year - budgetary basis	<u>400,628</u>	<u>400,628</u>	<u>400,628</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u>\$400,628</u>	<u>\$400,628</u>	<u>\$309,701</u>	<u>(\$90,927)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$0

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$0

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$90,927

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$90,927

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
ACCOMODATIONS TAX
FOR YEAR ENDED JUNE 30, 2020**

				VARIANCE WITH FINAL BUDGET OVER (UNDER)
BUDGETED AMOUNTS				
ORIGINAL		FINAL	ACTUAL	
Revenues:				
Taxes	\$3,500,100	\$3,500,100	\$2,699,081	(\$801,019)
Interest income	0	0	1,753	1,753
TOTAL REVENUES		3,500,100	2,700,834	(799,266)
Expenditures:				
Other services and charges	2,415,758	2,415,758	2,053,341	362,417
Transfer out	1,140,763	1,140,763	1,140,763	0
TOTAL EXPENDITURES		3,556,521	3,194,104	362,417
REVENUES OVER (UNDER) EXPENDITURES		(56,421)	(493,270)	(436,849)
Net position - beginning of year - budgetary basis		2,040,628	2,040,628	0
NET POSITION - END OF YEAR		\$1,984,207	\$1,547,358	(\$436,849)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$2,700,834

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in net positions - governmental funds.

\$2,700,834

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$3,194,104

Differences - budget to GAAP:

Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.

(1,140,763)

Total expenditures as reported on the statement of revenues, expenditures, and changes in net positions - governmental funds.

\$2,053,341

**CITY OF VALDOSTA, GEORGIA
SALES TAX 2013 FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$5,700,000	\$7,450,664	\$1,750,664
Miscellaneous	0	46,954	46,954
TOTAL REVENUES	<u>5,700,000</u>	<u>7,497,618</u>	<u>1,797,618</u>
Expenditures:			
Capital outlay:			
Resurfacing	664,086	255,747	408,339
Road improvements	976,058	170,446	805,612
Sidewalk improvements	1,874,010	196,372	1,677,638
Intersection improvements	273,769	20,665	253,104
Drainage improvements	496,705	281,519	215,186
Traffic improvements	169,942	147,153	22,789
Street maintenance repairs	91,203	117,549	(26,346)
Piping of ditches	166,865	(23,665)	190,530
Miscellaneous parks and recreation projects	20,000	463,726	(443,726)
Sewer collections system	1,001,288	3,750,915	(2,749,627)
GEFA debt repayment for Force Main Project	2,651,516	2,651,515	1
Manhole/liner rehabilitation	0	2,060,695	(2,060,695)
Downtown land improvements	0	3,935	(3,935)
AMI radio read system	0	1,148,481	(1,148,481)
Transfer out	475,000	0	475,000
TOTAL EXPENDITURES	<u>8,860,442</u>	<u>11,245,053</u>	<u>(2,384,611)</u>
REVENUES OVER EXPENDITURES	<u>(3,160,442)</u>	<u>(3,747,435)</u>	<u>(586,993)</u>
Fund balance - beginning of year - budgetary basis	<u>6,936,873</u>	<u>6,936,873</u>	<u>0</u>
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	<u><u>\$3,776,431</u></u>	<u><u>\$3,189,438</u></u>	<u><u>(\$586,993)</u></u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$7,497,618

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$7,497,618

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$11,245,053

Differences - budget to GAAP:

Encumbrances for remaining fiscal year items are recorded current year for budgetary purposes, but in the year of actual payment for financial reporting purposes.

(2,203,452)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$9,041,601

**CITY OF VALDOSTA, GEORGIA
SALES TAX 2019 FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$0	\$4,423,853	\$4,423,853
TOTAL REVENUES	0	4,423,853	4,423,853
Expenditures:			
Capital outlay:			
Resurfacing	0	0	0
Road improvements	0	0	0
Sidewalk improvements	0	0	0
Intersection improvements	0	5,551	(5,551)
Existing parks	0	126,298	(126,298)
TOTAL EXPENDITURES	0	131,849	(131,849)
REVENUES OVER EXPENDITURES	0	4,292,004	4,292,004
Fund balance - beginning of year - budgetary basis	0	0	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	\$0	\$4,292,004	\$4,292,004

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$4,423,853

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$4,423,853

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$131,849

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$131,849

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
AIRPORT DEVELOPMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$1,552,000	\$1,263,646	(\$288,354)
Interest revenue	0	0	0
TOTAL REVENUES	<u>1,552,000</u>	<u>1,263,646</u>	<u>(288,354)</u>
Expenditures:			
Capital outlay:			
Airport improvement	1,552,000	1,323,669	228,331
TOTAL EXPENDITURES	<u>1,552,000</u>	<u>1,323,669</u>	<u>228,331</u>
REVENUES UNDER EXPENDITURES	<u>0</u>	<u>(60,023)</u>	<u>(60,023)</u>
Fund balance - beginning of year - budgetary basis	<u>216,423</u>	<u>216,423</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$216,423</u></u>	<u><u>\$156,400</u></u>	<u><u>(\$60,023)</u></u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$1,263,646

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$1,263,646

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$1,323,669

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$1,323,669

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
ROAD IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$830,000	\$1,119,179	\$289,179
TOTAL REVENUES	<u>830,000</u>	<u>1,119,179</u>	<u>289,179</u>
Expenditures:			
Capital outlay:			
Road improvement	790,323	789,497	826
TOTAL EXPENDITURES	<u>790,323</u>	<u>789,497</u>	<u>826</u>
REVENUES UNDER EXPENDITURES	39,677	329,682	290,005
Fund balance - beginning of year - budgetary basis	(969,388)	(969,388)	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u>(\$929,711)</u>	<u>(\$639,706)</u>	<u>\$290,005</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$1,119,179

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$1,119,179

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$789,497

Differences - budget to GAAP:

Encumbrances for remaining fiscal year items are recorded current year for budgetary purposes, but in the year of actual payment for financial reporting purposes.

(488,053)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$301,444

**CITY OF VALDOSTA, GEORGIA
GENERAL CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Transfer in	\$0	\$0	
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Other services and charges	0	0	0
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>
Net position - beginning of year - budgetary basis	<u>251,735</u>	<u>251,735</u>	<u>0</u>
NET POSITION - END OF YEAR - BUDGETARY BASIS	<u><u>\$251,735</u></u>	<u><u>\$251,735</u></u>	<u><u>\$0</u></u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary
comparison schedule.

\$0

Differences - budget to GAAP:

Transfers to other funds are inflows for budgetary resources but are not
revenues for financial reporting purposes.

0

Total revenues as reported on the statement of revenues, expenditures,
and changes in fund balances - governmental funds.

\$0

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary
comparison schedule.

\$0

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures,
and changes in fund balances - governmental funds.

\$0

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
TSPLOST 2018
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$630,000	\$700,274	\$70,274
TOTAL REVENUES	<u>630,000</u>	<u>700,274</u>	<u>70,274</u>
Expenditures:			
Capital outlay:			
Road improvement	0	15,125	(15,125)
TOTAL EXPENDITURES	<u>0</u>	<u>15,125</u>	<u>(15,125)</u>
REVENUES UNDER EXPENDITURES	<u>630,000</u>	<u>685,149</u>	<u>55,149</u>
Fund balance - beginning of year - budgetary basis	<u>503,864</u>	<u>503,864</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$1,133,864</u></u>	<u><u>\$1,189,013</u></u>	<u><u>\$55,149</u></u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$700,274

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$700,274

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$15,125

Differences - budget to GAAP:

Encumbrances for remaining fiscal year items are recorded current year for budgetary purposes, but in the year of actual payment for financial reporting purposes.

(7,531)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$7,594

**CITY OF VALDOSTA, GEORGIA
SUNSET HILL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Operating revenues:			
Interest income	\$0	\$3,175	\$3,175
Contributions	5,000	8,800	3,800
Rental income	25,032	25,472	440
TOTAL OPERATING REVENUES	30,032	37,447	7,415
Operating expenditures:			
Other services and charges	14,351	8,268	6,083
TOTAL OPERATING EXPENDITURES	14,351	8,268	6,083
REVENUES OVER (UNDER) EXPENDITURES	15,681	29,179	13,498
Fund Balance - beginning of year - budgetary basis	1,730,959	1,730,959	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$1,746,640	\$1,760,138	\$13,498

**Explanation of Differences between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

Sources/inflows of resources

Actual revenues (budgetary basis) from the budgetary comparison schedule.

\$37,447

Differences - budget to GAAP:

None

0

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$37,447

Uses/outflows of resources

Actual expenditures (budgetary basis) from the budgetary comparison schedule.

\$8,268

Differences - budget to GAAP:

None

0

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$8,268

Non-Major Enterprise Funds

Inspection Fund - to finance and account for the cost of providing inspection of residential and commercial buildings within Lowndes County and to regulate zoning issues within Lowndes County.

Auditorium Fund - to account for the revenue and costs associated with operating the Mathis City Auditorium.

Motor Fuel Fund - to account for the revenue and costs associated with the sale of motor fuel to other governmental entities.

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF NET POSITION
OTHER ENTERPRISE FUNDS
JUNE 30, 2020

	ENTERPRISE FUNDS			TOTAL OTHER ENTERPRISE FUNDS
	INSPECTION	AUDITORIUM	MOTOR FUEL	
ASSETS				
Current assets:				
Cash	\$18,505	\$0	\$0	\$18,505
Investments	616,124	0	3,883	620,007
Receivables (net)				
Accounts	0	0	4,487	4,487
Due from other governments and agencies	0	0	3,534	3,534
Due from other funds	70,222	66,750	68,359	205,331
Total current assets	<u>704,851</u>	<u>66,750</u>	<u>80,263</u>	<u>851,864</u>
Non-current assets:				
Capital assets:				
Equipment	39,216	0	0	39,216
	<u>39,216</u>	<u>0</u>	<u>0</u>	<u>39,216</u>
Less accumulated depreciation	(36,514)	0	0	(36,514)
Net capital assets	<u>2,702</u>	<u>0</u>	<u>0</u>	<u>2,702</u>
Total non-current assets	<u>2,702</u>	<u>0</u>	<u>0</u>	<u>2,702</u>
Total assets	<u><u>\$707,553</u></u>	<u><u>\$66,750</u></u>	<u><u>\$80,263</u></u>	<u><u>\$854,566</u></u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$31,154	\$13,344	\$0	\$44,498
Compensated absences	24,056	3,236	0	27,292
Total current liabilities	<u>55,210</u>	<u>16,580</u>	<u>0</u>	<u>71,790</u>
Non-current liabilities (payable from unrestricted assets):				
Compensated absences	15,250	6,782	0	22,032
Total non-current liabilities (payable from unrestricted assets)	<u>15,250</u>	<u>6,782</u>	<u>0</u>	<u>22,032</u>
Total liabilities	<u>70,460</u>	<u>23,362</u>	<u>0</u>	<u>93,822</u>
NET POSITION				
Invested in capital assets	2,702	0	0	2,702
Unrestricted	634,391	43,388	80,263	758,042
Total net position (deficit)	<u><u>\$637,093</u></u>	<u><u>\$43,388</u></u>	<u><u>\$80,263</u></u>	<u><u>\$760,744</u></u>

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	ENTERPRISE FUNDS			TOTAL OTHER ENTERPRISE FUNDS
	INSPECTION	AUDITORIUM	MOTOR FUEL	
Operating revenues:				
Permits	\$1,393,996	\$0	\$0	\$1,393,996
Charges for services	61,086	38,198	262,683	361,967
Miscellaneous revenues	12,700	0	0	12,700
TOTAL OPERATING REVENUES	1,467,782	38,198	262,683	1,768,663
Operating expenses:				
Personal services	596,956	157,550	0	754,506
Contractual services	80,555	101,994	0	182,549
Supplies	2,837	17,539	256,050	276,426
Travel and training	3,370	1,520	0	4,890
Other services and charges	176,132	30,464	267	206,863
Depreciation expense	1,297	0	0	1,297
TOTAL OPERATING EXPENSES	861,147	309,067	256,317	1,426,531
OPERATING INCOME (LOSS)	606,635	(270,869)	6,366	342,132
Non-operating revenues:				
Interest income	368	0	89	457
TOTAL NON-OPERATING REVENUES	368	0	89	457
INCOME (LOSS) BEFORE TRANSFERS	607,003	(270,869)	6,455	342,589
Transfers in	0	340,763	0	340,763
Transfers out	(122,413)	(8,062)	0	(130,475)
	(122,413)	332,701	0	210,288
Change in Net Position	484,590	61,832	6,455	552,877
NET POSITION - BEGINNING	152,503	(18,444)	73,808	207,867
NET POSITION - ENDING	\$637,093	\$43,388	\$80,263	\$760,744

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	ENTERPRISE FUNDS			TOTAL OTHER ENTERPRISE FUNDS
	INSPECTION	AUDITORIUM	MOTOR FUEL	
<u>NET CHANGE IN CASH</u>				
Cash flows from operating activities:				
Cash received from customers	\$1,455,082	\$38,198	\$269,593	\$1,762,873
Cash payments to suppliers for goods and services	(363,681)	(196,634)	(323,296)	(883,611)
Cash payments to employees for services	(563,632)	(175,943)	0	(739,575)
Miscellaneous income	12,699	0	0	12,699
Net change in cash from operating activities	540,468	(334,379)	(53,703)	152,386
Cash flows from noncapital financing activities:				
Transfers-in from other funds	0	340,763	0	340,763
Transfers-out to other funds	(122,413)	(8,062)	0	(130,475)
Net change in cash from noncapital financing activities	(122,413)	332,701	0	210,288
Cash flows from investing activities:				
Purchase of investment securities	(436,124)	0	39,433	(396,691)
Interest and dividends on investments	368	0	89	457
Net change in cash from investing activities	(435,756)	0	39,522	(396,234)
Net change in cash	(17,701)	(1,678)	(14,181)	(33,560)
Cash beginning of year	36,206	1,678	14,181	52,065
Cash at end of year	\$18,505	\$0	\$0	\$18,505
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CHANGE IN CASH FROM OPERATING ACTIVITIES</u>				
Operating income (loss)	\$606,635	(\$270,869)	\$6,366	\$342,132
Adjustments to reconcile operating income (loss) to net change in cash from operating activities:				
Depreciation	1,297	0	0	1,297
Change in assets and liabilities:				
Decrease in accounts receivable	0	0	6,910	6,910
(Increase) in due from other funds	(70,222)	(66,750)	(68,359)	(205,331)
Decrease in due from other governments and agencies	0	0	1,380	1,380
(Decrease) increase in accounts payable	(2,728)	1,597	0	(1,131)
Increase in compensated absences	5,486	1,643	0	7,129
Net change in cash from operating activities	\$540,468	(\$334,379)	(\$53,703)	\$152,386

Internal Service Funds

Motor Pool Fund - to account for the cost of operating a maintenance facility for automotive equipment. The fund purchases the automotive equipment and leases the equipment to user departments on a predetermined per mile basis or monthly rate based on accumulated historical costs.

Group Insurance Fund - to account for transactions related to the provision of health care benefits for career employees of the City.

Workman's Compensation Fund - to account for the transactions related to the workman's compensation claims paid by the City.

IT Service Fund - to account for the cost of providing information technology to user departments.

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

GOVERNMENTAL ACTIVITIES

INTERNAL SERVICE FUNDS

	<u>MOTOR POOL</u>	<u>GROUP INSURANCE</u>	<u>WORKMEN'S COMPENSATION</u>	<u>IT SERVICES</u>	<u>TOTAL INTERNAL SERVICE FUNDS</u>
ASSETS					
Current assets:					
Cash	\$41,169	\$221,707	\$734,271	\$16,279	\$1,013,426
Investments	0	0	0	4,458	4,458
Receivables (net)					
Accounts	0	26,084	0	0	26,084
Due from other funds	0	908,875	406,082	133,638	1,448,595
Inventories at cost	388,363	0	0	0	388,363
Prepaid expenses	0	0	0	0	0
Total current assets	<u>429,532</u>	<u>1,156,666</u>	<u>1,140,353</u>	<u>154,375</u>	<u>2,880,926</u>
Noncurrent assets:					
Land	92,563	0	0	0	92,563
Land improvements	375,370	0	0	0	375,370
Buildings and structures	530,218	0	0	0	530,218
Motor vehicles	21,969,158	0	0	0	21,969,158
Equipment	2,661,823	0	0	51,852	2,713,675
	<u>25,629,132</u>	<u>0</u>	<u>0</u>	<u>51,852</u>	<u>25,680,984</u>
Less accumulated depreciation	<u>(16,664,118)</u>	<u>0</u>	<u>0</u>	<u>(51,852)</u>	<u>(16,715,970)</u>
Net capital assets (net of accumulated depreciation)	<u>8,965,014</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,965,014</u>
Total assets	<u><u>\$9,394,546</u></u>	<u><u>\$1,156,666</u></u>	<u><u>\$1,140,353</u></u>	<u><u>\$154,375</u></u>	<u><u>11,845,940</u></u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$219,996	\$1,156,666	\$30,504	\$154,375	\$1,561,541
Accrued interest	\$42,918	\$0	\$0	\$0	\$42,918
Compensated absences (current portion)	24,056	0	0	0	24,056
Due to other funds	1,450,000	0	0	0	1,450,000
Capital lease payable (current portion)	413,321	0	0	0	413,321
Total current liabilities	<u>2,150,291</u>	<u>1,156,666</u>	<u>30,504</u>	<u>154,375</u>	<u>3,491,836</u>
Noncurrent liabilities:					
Compensated absences	32,260	0	0	0	32,260
Capital lease payable (net of current portion)	3,148,662	0	0	0	3,148,662
Advances from other funds	4,063,333	0	0	0	4,063,333
Total liabilities	<u>9,394,546</u>	<u>1,156,666</u>	<u>30,504</u>	<u>154,375</u>	<u>10,736,091</u>
NET POSITION					
Net investment in capital assets	5,403,031	0	0	0	5,403,031
Reserve for workmen's compensation claims	0	0	1,109,849	0	1,109,849
Unrestricted	<u>(5,403,031)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,403,031)</u>
Total net position	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$1,109,849</u></u>	<u><u>\$0</u></u>	<u><u>\$1,109,849</u></u>

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES				
	INTERNAL SERVICE FUNDS				
	<u>MOTOR POOL</u>	<u>GROUP INSURANCE</u>	<u>WORKMEN'S COMPENSATION</u>	<u>IT SERVICES</u>	<u>TOTAL INTERNAL SERVICE FUNDS</u>
Operating revenues:					
Charges for services	\$5,050,458	\$5,484,288	\$742,540	\$1,764,523	\$13,041,809
Miscellaneous revenues	89,991	126,571	0	0	216,562
TOTAL OPERATING REVENUES	<u>5,140,449</u>	<u>5,610,859</u>	<u>742,540</u>	<u>1,764,523</u>	<u>13,258,371</u>
Operating expenses:					
Personal services	815,531	0	0	0	815,531
Contractual services	201,947	1,745,159	0	1,723,760	3,670,866
Claims paid	0	5,250,913	272,128	0	5,523,041
Supplies	1,950,186	17,340	0	18,356	1,985,882
Travel and training	1,996	0	0	0	1,996
Other services and charges	214,768	2,153	238,440	22,509	477,870
Depreciation expense	1,776,841	0	0	0	1,776,841
TOTAL OPERATING EXPENSES	<u>4,961,269</u>	<u>7,015,565</u>	<u>510,568</u>	<u>1,764,625</u>	<u>14,252,027</u>
OPERATING INCOME (LOSS)	<u>179,180</u>	<u>(1,404,706)</u>	<u>231,972</u>	<u>(102)</u>	<u>(993,656)</u>
Nonoperating revenue (expenses):					
Interest expense	(179,180)	0	0	102	(179,078)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(179,180)</u>	<u>0</u>	<u>0</u>	<u>102</u>	<u>(179,078)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>0</u>	<u>(1,404,706)</u>	<u>231,972</u>	<u>0</u>	<u>(1,172,734)</u>
Transfers in	0	1,404,706	0	0	1,404,706
	<u>0</u>	<u>1,404,706</u>	<u>0</u>	<u>0</u>	<u>1,404,706</u>
CHANGE IN NET POSITION	0	0	231,972	0	231,972
NET POSITION - BEGINNING	0	0	877,877	0	877,877
NET POSITION - ENDING	<u>\$0</u>	<u>\$0</u>	<u>\$1,109,849</u>	<u>\$0</u>	<u>\$1,109,849</u>

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	MOTOR POOL	GROUP INSURANCE	WORKMEN'S COMP	IT SERVICES	TOTAL INTERNAL SERVICE FUNDS
Cash flows from operating activities:					
Cash received from customers	\$5,140,449	\$5,605,404	\$753,040	\$1,764,523	\$13,263,416
Cash payments to suppliers for goods and services	(1,374,515)	(6,800,178)	(196,184)	(1,810,155)	(10,181,032)
Cash payments to employees for services	(779,911)	0	0	0	(779,911)
Net change in cash from operating activities	2,986,023	(1,194,774)	556,856	(45,632)	2,302,473
Cash flows from non capital financing activities:					
Transfer in from other fund	0	1,404,706	0	0	1,404,706
Net change in cash from capital financing activities	0	1,404,706	0	0	1,404,706
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(2,207,205)	0	0	0	(2,207,205)
Principal payment GMA bond	(558,469)	0	0	0	(558,469)
Interest paid on GMA Bond	(179,180)	0	0	0	(179,180)
Net change in cash from capital and related financing activities	(2,944,854)	0	0	0	(2,944,854)
Cash flows from investing activities:					
Purchase of investment securities	0	0	0	45,465	45,465
Interest and dividends on investments	0	0	0	102	102
Net change in cash from investing activities	0	0	0	45,567	45,567
Net change in cash	41,169	209,932	556,856	(65)	807,892
Cash at beginning of year	0	11,775	177,415	16,344	205,534
Cash at end of year	\$41,169	\$221,707	\$734,271	\$16,279	\$1,013,426
<u>RECONCILIATION OF OPERATING INCOME (LOSS) NET CHANGE IN CASH FROM OPERATING ACTIVITIES:</u>					
Operating income (loss)	\$179,180	(\$1,404,706)	\$231,972	(\$102)	(\$993,656)
Adjustments to reconcile operating income (loss) to net change in cash from operating activities:					
Depreciation	1,776,841	0	0	0	1,776,841
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	0	(5,455)	10,500	0	5,045
Decrease (increase) in due from other funds	0	151,901	215,083	(133,638)	233,346
(Increase) in inventory	(8,498)	0	0	0	(8,498)
Decrease in prepaid expenses	193	0	109,735	20,662	130,590
(Decrease) increase in accounts payable	(410,733)	63,486	(10,434)	67,446	(290,235)
(Decrease) in compensated absences	(960)	0	0	0	(960)
Increase in advances from other funds	1,450,000	0	0	0	1,450,000
Net change in cash from operating activities	\$2,986,023	(\$1,194,774)	\$556,856	(\$45,632)	\$2,302,473

Agency Funds

Tree Commission Agency Fund - to account for monies collected for the Tree Commission.

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

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2020

	TREE COMMISSION	EVIDENCE AGENCY FUND	TOTAL FIDUCIARY FUNDS
ASSETS			
Cash	\$71,125	\$48,127	\$119,252
Investments	7,401	0	7,401
Total assets	<u>\$78,526</u>	<u>\$48,127</u>	<u>\$126,653</u>
LIABILITIES			
Due to other governments and agencies	\$78,526	\$0	\$78,526
Due to others	0	48,127	48,127
Total liabilities	<u>\$78,526</u>	<u>\$48,127</u>	<u>\$126,653</u>

CITY OF VALDOSTA, GEORGIA
AGENCY FUND
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2020

TREE COMMISSION

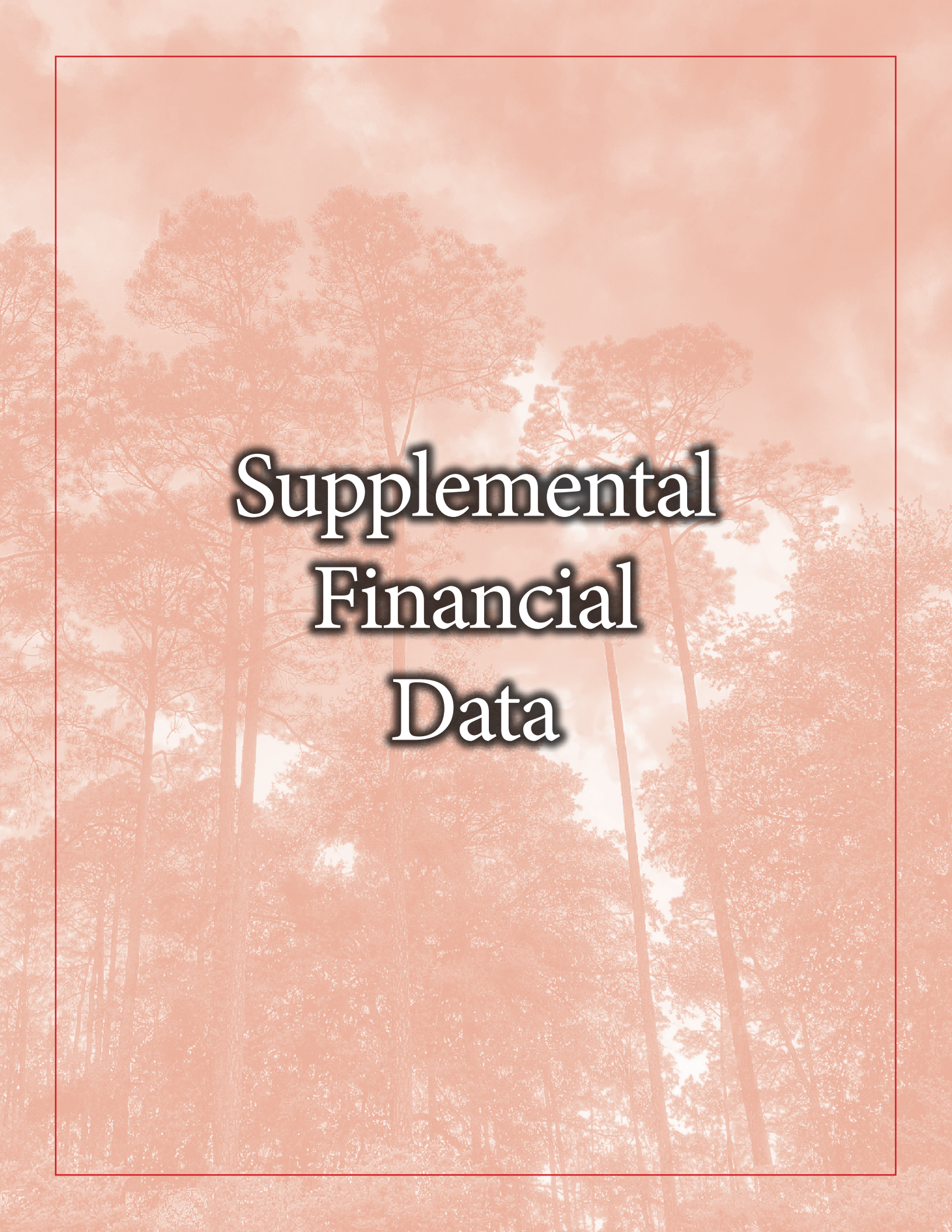
	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>ASSETS</u>				
Cash	\$72,209	\$3,726	\$4,810	\$71,125
Investments	7,394	7	0	7,401
Total assets	<u>\$79,603</u>	<u>\$3,733</u>	<u>\$4,810</u>	<u>\$78,526</u>
<u>LIABILITIES</u>				
Liabilities:				
Due to:				
Other governments and agencies	\$79,603	\$1,104	\$2,181	\$78,526
Total liabilities	<u>\$79,603</u>	<u>\$1,104</u>	<u>\$2,181</u>	<u>\$78,526</u>

EVIDENCE AGENCY FUND

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>ASSETS</u>				
Cash	\$10,334	\$46,475	\$8,682	\$48,127
Investments	0	0	0	0
Total assets	<u>\$10,334</u>	<u>\$46,475</u>	<u>\$8,682</u>	<u>\$48,127</u>
<u>LIABILITIES</u>				
Liabilities:				
Due to:				
Others	\$10,334	\$46,475	\$8,682	\$48,127
Total liabilities	<u>\$10,334</u>	<u>\$46,475</u>	<u>\$8,682</u>	<u>\$48,127</u>

TOTAL

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>ASSETS</u>				
Cash	\$82,543	\$50,201	\$13,492	\$119,252
Investments	7,394	7	0	7,401
Total assets	<u>\$89,937</u>	<u>\$50,208</u>	<u>\$13,492</u>	<u>\$126,653</u>
<u>LIABILITIES</u>				
Liabilities:				
Due to:				
Other governments and agencies	\$79,603	\$1,104	\$2,181	\$78,526
Others	10,334	46,475	8,682	48,127
Total liabilities	<u>\$89,937</u>	<u>\$47,579</u>	<u>\$10,863</u>	<u>\$126,653</u>

The background of the slide is a photograph of a forest with tall, thin trees, likely pines or cypresses, reaching towards a cloudy sky. The entire image is covered with a semi-transparent red overlay. A thin red rectangular border is visible around the edges of the slide.

Supplemental Financial Data

CITY OF VALDOSTA, GEORGIA
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS
 SALES TAX 2013 FUND
 For the Year Ended June 30, 2020

No.	Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year SPLOST	Current Year Other Sources	Total	Estimated Percentage of Completion
1	Resurfacing	\$2,000,000	\$2,226,754	\$1,511,516	\$42,673	\$0	\$1,554,189	70%
2	Road improvements	3,075,000	5,198,527	4,194,386	643,942	0	4,838,328	100%
3	Sidewalk improvements	2,000,000	1,756,278	917,237	788,330	(46,954)	1,658,613	94%
4	Intersection improvements	200,000	0	0	89,740	0	89,740	0%
5	Drainage improvements	3,000,000	486,329	338,989	257,854	0	596,843	100%
6	Traffic improvements	750,000	1,149,583	1,000,476	101,956	0	1,102,432	96%
7	Street maintenance repairs	350,000	321,184	388,951	175,949	0	564,900	100%
8	Piping of ditches	300,000	536,345	426,400	0	0	426,400	80%
9	Police buildings	130,000	192,308	192,602	0	0	192,602	100%
10	Police contingency	105,000	0	0	0	0	0	0%
11	Public safety radio	2,505,000	2,241,574	2,596,378	0	0	2,596,378	100%
12	Technology police	633,000	626,067	626,067	0	0	626,067	100%
13	Police weapons	127,000	0	0	0	0	0	0%
14	Miscellaneous parks and recreation projects	1,000,000	1,000,000	221,433	463,726	0	685,159	69%
15	100' aerial fire truck	1,100,000	0	0	0	0	0	0%
16	County wide radio	2,000,000	1,641,750	1,286,945	0	0	1,286,945	78%
17	Pumper trucks	1,600,000	0	0	0	0	0	0%
18	Public works claw truck	435,000	0	0	0	0	0	0%
19	Miscellaneous equipment	80,000	0	0	0	0	0	0%
20	Front end loader	530,000	0	0	0	0	0	0%
21	Pelican sweeper	165,000	0	0	0	0	0	0%
22	Refuse trucks	960,000	160,000	107,180	0	0	107,180	67%
23	Rear end loader	330,000	0	0	0	0	0	0%
24	Water and sewer contingency	5,257,186	0	0	0	0	0	0%
25	Sewer collections system	20,000,000	5,028,259	861,333	612,805	0	1,474,138	29%
26	Equipment	375,000	0	0	0	0	0	0%
27	GEFA debt repayment for Force Main Project	6,034,554	13,120,357	11,107,374	2,651,515	0	13,758,889	100%
28	Manhole/liner rehabilitation	3,100,000	3,400,000	1,301,451	2,060,695	0	3,362,146	99%
29	Sewer collections smoke testing	633,260	385,594	385,594	0	0	385,594	100%
30	Withlacoochee sewer plant	20,000,000	23,510,590	23,455,742	0	0	23,455,742	100%
31	Downtown	500,000	500,000	0	0	0	0	0%
32	Mathis auditorium	250,000	0	0	0	0	0	0%
33	Software & hardware	500,000	201,801	56,755	0	0	56,755	28%
34	Vallotton lighting	0	34,850	34,850	0	0	34,850	100%
35	Force main easements	0	40,614	40,614	0	0	40,614	100%
36	Supplement environmental project	0	331,801	331,801	0	0	331,801	100%
37	Sugar creek stream/wetlands credits	0	24,000	24,000	0	0	24,000	100%
38	Withlacoochee stream/wetlands credits	0	62,605	62,605	0	0	62,605	100%
39	Mathis auditorium fly line replacement	0	174,300	174,300	0	0	174,300	100%
40	Mathis auditorium roof repairs	0	20,350	20,350	0	0	20,350	100%
41	Vac con truck	0	323,541	323,541	0	0	323,541	100%
42	Council chamber remodel	0	16,034	16,034	0	0	16,034	100%
43	Customer service building	0	31,723	31,723	0	0	31,723	100%
44	Downtown land improvements	0	243,094	239,159	3,935	0	243,094	100%
45	Five points paving	0	36,307	36,307	0	0	36,307	100%
46	AMI radio read system	0	1,148,481	0	1,148,481	0	1,148,481	100%
Subtotal		80,025,000	66,171,000	52,312,093	9,041,601	(46,954)	61,306,740	
Transfer in		0	0	(827,565)	0	0	(827,565)	
Transfer out		0	0	0	0	0	0	
TOTAL		\$80,025,000	\$66,171,000	\$51,484,528	\$9,041,601	(\$46,954)	\$60,479,175	

Schedule accounts for the total funding to be received under the 2013 SPLOST referendum.

CITY OF VALDOSTA, GEORGIA
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS
 SALES TAX 2019 FUND
 For the Year Ended June 30, 2020

No.	Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year SPLOST	Current Year Other Sources	Total	Estimated Percentage of Completion
1	Resurfacing	\$4,160,000	\$4,160,000	\$0	\$0	\$0	\$0	0%
2	Road improvements	0	0	0	0	0	0	0%
3	Sidewalk improvements	4,943,660	4,943,660	0	0	0	0	0%
4	Intersection improvements	271,440	271,440	0	5,551	0	5,551	2%
5	Drainage improvements	821,718	821,718	0	0	0	0	0%
6	Traffic improvements	240,000	240,000	0	0	0	0	0%
7	Street maintenance repairs	1,005,000	1,005,000	0	0	0	0	0%
8	Piping of ditches	1,800,000	1,800,000	0	0	0	0	0%
9	Police buildings	250,000	250,000	0	0	0	0	0%
10	Police in car camera system	600,000	600,000	0	0	0	0	0%
11	Grapple loader (2)	350,000	350,000	0	0	0	0	0%
12	Rear end loader (2)	540,000	540,000	0	0	0	0	0%
13	Front end loader	265,000	265,000	0	0	0	0	0%
14	Sweeper	220,000	220,000	0	0	0	0	0%
15	Baler	450,000	450,000	0	0	0	0	0%
16	Recycle shed	500,000	500,000	0	0	0	0	0%
17	SCBA airpacks	380,000	380,000	0	0	0	0	0%
18	Cascade air filling system	75,000	75,000	0	0	0	0	0%
19	EPD sewer collection	6,500,000	6,500,000	0	0	0	0	0%
20	Lift station replacement	4,000,000	4,000,000	0	0	0	0	0%
21	Smoke testing	150,000	150,000	0	0	0	0	0%
22	Water transmission system	2,000,000	2,000,000	0	0	0	0	0%
23	Water mains	2,500,000	2,500,000	0	0	0	0	0%
24	Manhole rehab	2,050,000	2,050,000	0	0	0	0	0%
25	Water plant generator	1,500,000	1,500,000	0	0	0	0	0%
26	Well rehab	3,000,000	3,000,000	0	0	0	0	0%
27	Treatment plant basin resurfacing	450,000	450,000	0	0	0	0	0%
28	Water treatment plant II or loop	2,000,000	2,000,000	0	0	0	0	0%
29	Emergency repairs	2,000,000	2,000,000	0	0	0	0	0%
30	GEFA debt reduction	10,917,140	10,917,140	0	0	0	0	0%
31	AMI debt service	2,500,000	2,500,000	0	0	0	0	0%
32	Facilities	4,450,000	4,450,000	0	0	0	0	0%
33	Hardware/software	300,000	300,000	0	0	0	0	0%
34	Downtown	312,925	312,925	0	0	0	0	0%
35	New district 5 park	1,500,000	1,500,000	0	0	0	0	0%
36	Existing parks	2,000,000	2,000,000	0	126,298	0	126,298	6%
TOTAL		<u>\$65,001,883</u>	<u>\$65,001,883</u>	<u>\$0</u>	<u>\$131,849</u>	<u>\$0</u>	<u>\$131,849</u>	

Schedule accounts for the total funding to be received under the 2019 SPLOST referendum.

The background of the entire page is a photograph of a forest of tall, thin trees, likely pines or cypresses, reaching towards a cloudy sky. The entire image is overlaid with a semi-transparent blue filter. A thin blue rectangular border is positioned around the perimeter of the page.

Statistical Section *(Unaudited)*

City of Valdosta, Georgia
Statistical Section
(Unaudited)

This part of the City of Valdosta's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This section includes data for the City (i.e., the primary government) only and does not include the City's discretely presented component unit. This information has not been audited by the independent auditor.

Financial Trends

These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.

Revenue Capacity

These tables contain information that may assist the reader in assessing the viability of the City's two most significant "own-source" revenue sources, water/sewer fees and property taxes.

Debt Capacity

These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These tables offer economic and demographic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.

Operating Information

These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year.

CITY OF VALDOSTA, GEORGIA

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net Investment in Capital Assets	\$136,535,181	\$132,580,868	\$132,065,895	\$130,310,228	\$82,400,730	\$123,787,408	\$126,737,107	\$125,177,312	\$124,632,388	\$123,992,944
Restricted	5,426,814	9,910,542	8,345,295	4,545,543	4,545,543	3,998,000	5,034,717	6,786,721	6,234,963	7,906,102
Unrestricted	4,020,845	(795,246)	(5,970,254)	(7,135,321)	(6,568,573)	(55,838,470)	(52,750,184)	(64,753,444)	(58,377,709)	(58,104,671)
Total governmental activities net position	<u>\$145,982,840</u>	<u>\$141,696,164</u>	<u>\$134,440,936</u>	<u>\$127,720,450</u>	<u>\$80,377,700</u>	<u>\$71,946,938</u>	<u>\$79,021,640</u>	<u>\$67,210,589</u>	<u>\$72,489,642</u>	<u>\$73,794,375</u>
Business-type activities										
Net Investment in Capital Assets	\$92,578,491	\$95,909,403	\$101,298,255	\$106,519,347	\$122,682,085	\$133,344,497	\$129,682,586	\$134,147,501	\$136,646,269	\$143,080,879
Restricted	0	0	0	0	0	0	0	0	0	0
Unrestricted	901,087	(2,300,288)	(2,694,424)	(4,367,660)	(6,796,181)	(5,160,842)	(3,356,799)	(5,974,943)	(6,779,041)	(6,622,857)
Total business-type activities net position	<u>\$93,479,578</u>	<u>\$93,609,115</u>	<u>\$98,603,831</u>	<u>\$102,151,687</u>	<u>\$115,885,904</u>	<u>\$128,183,655</u>	<u>\$126,325,787</u>	<u>\$128,172,558</u>	<u>\$129,867,228</u>	<u>\$136,458,022</u>
Primary government										
Net Investment in Capital Assets	\$229,113,672	\$228,490,271	\$233,364,150	\$236,829,575	\$205,082,815	\$257,131,905	\$256,419,693	\$259,324,813	\$261,278,657	\$267,073,823
Restricted	5,426,814	9,910,542	8,345,295	4,545,543	4,545,543	3,998,000	5,034,717	6,786,721	6,234,963	7,906,102
Unrestricted	4,921,932	(3,095,534)	(8,664,678)	(11,502,981)	(13,364,754)	(60,999,312)	(56,106,983)	(70,728,387)	(65,156,750)	(64,727,528)
Total primary government net position	<u>\$239,462,418</u>	<u>\$235,305,279</u>	<u>\$233,044,767</u>	<u>\$229,872,137</u>	<u>\$196,263,604</u>	<u>\$200,130,593</u>	<u>\$205,347,427</u>	<u>\$195,383,147</u>	<u>\$202,356,870</u>	<u>\$210,252,397</u>

CITY OF VALDOSTA, GEORGIA

Changes in Net Positions

Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities										
General government	\$22,509,701	\$24,645,893	\$22,929,060	\$22,657,247	\$21,365,496	\$19,793,450	\$21,222,388	\$17,828,062	\$16,947,416	\$19,471,991
Public safety	20,016,681	20,542,890	20,074,107	21,558,234	21,876,662	24,181,599	22,026,971	25,732,425	25,588,378	25,900,150
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Public works	1,893,485	1,872,351	1,613,315	1,597,172	1,720,736	2,042,771	1,664,440	1,763,484	1,772,936	1,886,658
Community development	1,110,945	1,101,147	1,042,940	1,276,726	1,036,031	1,104,091	2,037,292	2,188,188	2,166,248	2,273,856
Interest on long-term debt	0	0	0	9,846	5,003	3,044	9,645	16,659	5,941	10,658
Total governmental activities	<u>45,530,812</u>	<u>48,162,281</u>	<u>45,659,422</u>	<u>47,099,225</u>	<u>46,003,928</u>	<u>47,124,955</u>	<u>46,960,736</u>	<u>47,528,818</u>	<u>46,480,919</u>	<u>49,543,313</u>
Business-type activities										
Sanitation	4,379,655	4,392,197	4,482,868	4,611,013	4,793,589	4,992,623	5,262,973	5,709,783	5,660,431	5,632,534
Water and sewer	11,889,430	13,000,285	12,260,646	14,365,317	16,259,357	15,891,914	19,902,939	19,904,646	21,178,047	19,006,552
Inspection	965,786	970,029	940,143	1,042,114	949,697	862,507	811,270	840,559	900,375	883,166
Zoning	446,049	455,267	359,543	0	0	0	0	0	0	0
DOL building	424,197	368,853	355,022	341,979	373,249	423,139	343,828	343,698	309,336	301,288
Storm Water	1,231,214	1,371,900	1,223,050	1,238,148	1,090,243	1,091,578	1,354,319	1,489,702	1,397,631	1,474,837
Auditorium	240,981	249,576	212,676	196,780	242,997	245,846	276,172	276,489	283,656	315,395
Motor fuel	<u>527,982</u>	<u>537,152</u>	<u>556,674</u>	<u>532,420</u>	<u>402,611</u>	<u>271,105</u>	<u>292,619</u>	<u>318,224</u>	<u>345,705</u>	<u>256,317</u>
Total business-type activities	<u>20,105,294</u>	<u>21,345,259</u>	<u>20,390,622</u>	<u>22,327,771</u>	<u>24,111,743</u>	<u>23,778,712</u>	<u>28,244,120</u>	<u>28,883,101</u>	<u>30,075,181</u>	<u>27,870,089</u>
Total primary government	<u>\$65,636,106</u>	<u>\$69,507,540</u>	<u>\$66,050,044</u>	<u>\$69,426,996</u>	<u>\$70,115,671</u>	<u>\$70,903,667</u>	<u>\$75,204,856</u>	<u>\$76,411,919</u>	<u>\$76,556,100</u>	<u>\$77,413,402</u>
Program Revenues										
Governmental activities										
Charges for services										
General government	\$94,155	\$204,692	\$54,692	\$103,489	\$355,698	\$56,591	(\$14,556)	\$93,392	\$47,883	\$43,583
Public safety	2,231,793	2,759,530	2,533,635	2,267,311	2,320,195	2,203,592	2,307,698	2,365,134	2,426,640	2,128,015
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Other activities	263,364	244,771	145,443	255,987	115,062	103,566	134,989	146,272	125,938	104,970
Operating grants and contributions	2,386,413	683,356	2,168,333	2,680,619	2,156,022	2,558,807	3,324,713	1,385,946	1,833,920	1,780,286
Capital grants and contributions	<u>8,202,070</u>	<u>12,086,133</u>	<u>9,619,416</u>	<u>10,505,462</u>	<u>12,744,363</u>	<u>11,907,962</u>	<u>12,389,719</u>	<u>12,582,892</u>	<u>12,921,995</u>	<u>13,856,415</u>
Total governmental activities program revenues	<u>13,177,795</u>	<u>15,978,482</u>	<u>14,521,519</u>	<u>15,812,868</u>	<u>17,691,340</u>	<u>16,830,518</u>	<u>18,142,563</u>	<u>16,573,636</u>	<u>17,356,376</u>	<u>17,913,269</u>
Business-type activities										
Charges for services										
Sanitation	4,278,815	4,161,616	4,399,518	4,701,759	4,762,126	5,025,549	5,166,514	5,870,885	5,728,960	5,962,743
Water and sewer	13,817,286	14,230,907	15,240,633	15,383,914	17,153,046	17,185,147	18,533,990	18,741,504	19,786,789	20,936,570
Inspection	905,977	644,462	642,235	784,402	860,838	860,838	1,163,224	1,315,570	1,229,120	1,468,150
DOL building	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157
Storm Water	1,257,082	1,242,399	1,271,392	1,280,524	1,286,864	1,283,342	1,690,913	1,795,212	1,808,869	1,813,191
Other activities	762,299	737,719	675,301	584,687	463,643	323,915	350,343	381,083	401,112	300,970
Operating grants and contributions	0	269,437	0	0	0	0	0	0	0	0
Capital grants and contributions	<u>1,119,880</u>	<u>957,991</u>	<u>758,616</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total business-type activities program revenues	<u>22,610,496</u>	<u>22,713,688</u>	<u>23,456,852</u>	<u>23,204,443</u>	<u>25,055,276</u>	<u>25,147,948</u>	<u>27,374,641</u>	<u>28,573,411</u>	<u>29,424,007</u>	<u>30,950,781</u>
Total primary government program revenues	<u>\$35,788,291</u>	<u>\$38,692,170</u>	<u>\$37,978,371</u>	<u>\$39,017,311</u>	<u>\$42,746,616</u>	<u>\$41,978,466</u>	<u>\$45,517,204</u>	<u>\$45,147,047</u>	<u>\$46,780,383</u>	<u>\$48,864,050</u>
Net (Expense)/Revenue										
Governmental activities	(\$32,353,017)	(\$32,183,799)	(\$31,137,903)	(\$31,286,357)	(\$28,312,588)	(\$30,294,437)	(\$28,818,173)	(\$30,955,182)	(\$29,124,543)	(\$31,630,044)
Business-type activities	2,505,202	1,368,429	3,066,230	876,672	943,533	1,369,236	(869,479)	(309,690)	(651,174)	3,080,692
Total primary government net expense	<u>(\$29,847,815)</u>	<u>(\$30,815,370)</u>	<u>(\$28,071,673)</u>	<u>(\$30,409,685)</u>	<u>(\$27,369,055)</u>	<u>(\$28,925,201)</u>	<u>(\$29,687,652)</u>	<u>(\$31,264,872)</u>	<u>(\$29,775,717)</u>	<u>(\$28,549,352)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities										
Taxes										
Property taxes	\$5,878,814	\$6,022,229	\$6,348,885	\$6,974,207	\$10,089,226	\$10,128,482	\$12,683,175	\$13,124,375	\$13,342,926	12,852,906
Sales tax	9,197,511	9,493,841	9,225,131	8,954,342	9,083,678	8,853,226	8,723,677	9,060,686	9,443,496	9,905,639
Accommodations tax	1,504,153	1,562,285	1,667,870	1,856,448	2,725,208	2,893,595	3,059,867	3,194,645	3,338,537	2,699,082
Other taxes	8,264,303	8,925,259	8,938,156	8,844,442	9,381,528	9,532,899	9,704,815	9,689,613	10,287,970	10,524,167
Investment earnings	46,580	31,960	27,214	19,831	16,526	17,374	32,657	48,069	75,146	48,420
Miscellaneous	640,692	619,479	227,429	587,662	628,271	427,323	700,295	572,584	261,365	414,665
Contributions to permanent fund	0	0	0	0	0	0	0	0	0	0
Transfers	<u>555,193</u>	<u>1,242,070</u>	<u>(2,646,499)</u>	<u>(2,671,061)</u>	<u>(12,790,684)</u>	<u>(9,989,224)</u>	<u>988,389</u>	<u>(2,156,461)</u>	<u>(2,345,844)</u>	<u>(3,510,102)</u>
Total governmental activities	<u>26,087,246</u>	<u>27,897,123</u>	<u>23,788,186</u>	<u>24,565,871</u>	<u>19,133,753</u>	<u>21,863,675</u>	<u>35,882,875</u>	<u>33,533,511</u>	<u>34,403,596</u>	<u>32,934,777</u>
Business-type activities										
Property taxes	0	0	0	0	0	0	0	0	0	0
Investment earnings	14,163	3,178	792	123	0	0	0	0	0	0
Capital contributions	0	0	0	0	0	0	0	0	0	0
Special items	0	0	0	0	0	939,291	0	0	0	0
Transfers	<u>(555,193)</u>	<u>(1,242,070)</u>	<u>2,692,361</u>	<u>2,671,061</u>	<u>12,790,684</u>	<u>9,989,224</u>	<u>(988,389)</u>	<u>2,156,461</u>	<u>2,345,844</u>	<u>3,510,102</u>
Total business-type activities	<u>(541,030)</u>	<u>(1,238,892)</u>	<u>2,693,153</u>	<u>2,671,184</u>	<u>12,790,684</u>	<u>10,928,515</u>	<u>(988,389)</u>	<u>2,156,461</u>	<u>2,345,844</u>	<u>3,510,102</u>
Total primary government	<u>\$25,546,216</u>	<u>\$26,658,231</u>	<u>\$26,481,339</u>	<u>\$27,237,055</u>	<u>\$31,924,437</u>	<u>\$32,792,190</u>	<u>\$34,904,486</u>	<u>\$35,689,972</u>	<u>\$36,749,440</u>	<u>\$36,444,879</u>
Change in Net Position										
Governmental activities	(\$6,265,771)	(\$4,286,676)	(\$7,349,717)	(\$6,720,486)	(\$9,178,835)	(\$8,430,762)	\$7,074,702	\$2,578,329	\$5,279,053	\$1,304,733
Business-type activities	1,964,172	129,537	5,759,383	3,547,856	13,734,217	12,297,751	(1,857,868)	1,846,771	1,694,670	6,590,794
Total primary government	<u>(\$4,301,599)</u>	<u>(\$4,157,139)</u>	<u>(\$1,590,334)</u>	<u>(\$3,172,630)</u>	<u>\$4,555,382</u>	<u>\$3,866,989</u>	<u>\$5,216,834</u>	<u>\$4,425,100</u>	<u>\$6,973,723</u>	<u>\$7,895,527</u>

CITY OF VALDOSTA, GEORGIA
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0	0	0	0	0	0	0
Nonspendable	4,521,846	4,522,249	4,245,727	2,899,736	4,277,368	3,551,702	3,292,866	2,677,584	4,868,536	4,440,823
Restricted	176,391	181,778	151,288	177,245	207,912	206,002	214,291	226,914	235,318	241,627
Committed	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767
Assigned	701,620	316,892	0	0	0	0	0	485,233	0	0
Unassigned	0	0	128,039	-1,080,989	(1,873,454)	(1,235,605)	(498,949)	0	(1,334,464)	(359,886)
Total General Fund	<u>\$5,410,624</u>	<u>\$5,031,686</u>	<u>\$4,535,821</u>	<u>\$2,006,759</u>	<u>\$2,622,593</u>	<u>\$2,532,866</u>	<u>\$3,018,975</u>	<u>\$3,400,498</u>	<u>\$3,780,157</u>	<u>\$4,333,331</u>
All Other Governmental Funds										
Reserved	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved, reported in:										
Special revenue funds	0	0	0	0	0	0	0	0	0	0
Capital projects funds	0	0	0	0	0	0	0	0	0	0
Nonspendable, reported in:										
Special revenue funds	2,967,676	2,835,801	2,670,464	2,601,916	2,615,521	2,526,771	0	0	0	0
Capital projects funds	774,135	696,464	573,385	300,000	213,395	213,395	0	0	0	0
Permanent funds	1,472,224	1,525,822	1,304,778	1,617,435	1,639,355	1,661,287	1,688,761	1,708,471	1,730,959	1,760,138
Restricted, reported in:										
Special revenue funds	128,682	249,087	224,601	409,505	259,555	179,820	2,692,805	2,726,461	2,275,612	2,034,389
Capital projects funds	3,466,879	7,194,623	5,714,008	6,336,172	11,623,286	2,141,728	2,893,717	3,566,599	2,608,899	5,630,086
Assigned, reported in:										
Special revenue funds	107,906	205,630	323,727	404,357	319,114	584,357	900,420	1,439,690	2,544,492	2,743,902
Capital projects funds	763,598	39,966	0	0	490,642	374,163	1,472,890	4,221,265	7,504,953	7,989,499
Unassigned, reported in:										
Special revenue funds	(275,654)	(223,869)	(104,185)	(311,093)	(115,034)	(43,746)	(193,979)	(437,349)	(198,863)	(324,852)
Capital projects funds	(25,757)	0	0	0	(11,229,531)	(4,387,331)	0	0	0	0
Total all other governmental funds	<u>\$9,379,689</u>	<u>\$12,523,524</u>	<u>\$10,706,778</u>	<u>\$11,358,292</u>	<u>\$5,816,303</u>	<u>\$3,250,444</u>	<u>\$9,454,614</u>	<u>\$13,225,137</u>	<u>\$16,466,052</u>	<u>\$19,833,162</u>
Total all governmental funds	<u>\$14,790,313</u>	<u>\$17,555,210</u>	<u>\$15,242,599</u>	<u>\$13,365,051</u>	<u>\$8,438,896</u>	<u>\$5,783,310</u>	<u>\$12,473,589</u>	<u>\$16,625,635</u>	<u>\$20,246,209</u>	<u>\$24,166,493</u>

The City of Valdosta implemented GASB 54 for the fiscal year ended June 30, 2011.

Fund balances presented for fiscal years after 2010 are classified according to the new standard (see note 1 in the financial statements).

CITY OF VALDOSTA, GEORGIA
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$24,345,814	\$25,550,030	\$25,647,433	26,306,492	30,611,633	30,908,671	33,558,371	34,650,674	35,826,202	35,537,026
Licenses and permits	394,262	519,109	514,949	508,051	529,749	536,322	557,575	523,976	522,495	509,315
Charges for services	384,075	437,959	476,460	376,127	458,832	142,285	109,622	216,154	170,735	126,887
Fines and forfeitures	1,414,425	1,517,532	1,391,867	1,233,369	1,150,198	1,038,107	1,186,152	1,125,592	984,425	823,201
Interest income	46,581	33,402	27,214	19,831	18,034	17,374	32,657	48,069	75,147	48,420
Contributions	59,507	55,730	64,720	40,764	17,731	28,648	21,236	276,761	19,314	23,314
Miscellaneous	520,475	687,666	599,370	695,265	644,895	537,879	670,526	634,940	200,454	147,696
Intergovernmental	12,238,994	14,151,399	12,627,387	14,681,553	16,116,112	15,208,742	17,109,319	14,982,586	16,215,780	16,849,550
Total revenues	39,404,133	42,952,827	41,349,400	43,861,452	49,547,184	48,418,028	53,245,458	52,458,752	54,014,552	54,065,409
Expenditures										
General government	10,777,003	9,917,407	9,623,141	9,818,403	10,815,741	10,738,650	11,040,044	11,524,672	11,306,100	11,246,174
Public safety	20,244,673	18,763,903	18,885,565	19,540,786	20,389,657	22,679,350	22,467,739	24,704,297	24,280,599	25,265,381
Public works	1,260,475	1,721,218	1,469,296	1,381,317	1,532,042	1,820,409	1,506,781	1,633,232	1,625,467	1,807,948
Culture-recreation	519,943	0	0	0	0	0	0	0	0	0
Economic development and assistance	1,316,736	1,066,518	1,035,531	1,235,625	984,591	1,054,921	1,992,277	2,136,657	2,115,199	2,240,363
Capital outlay	5,767,224	8,191,502	12,370,884	12,474,501	19,913,386	16,238,204	9,043,280	9,486,284	11,220,282	10,948,626
Debt service										
Interest	0	141,998	141,175	145,862	27,904	77,511	138,188	189,361	129,323	165,192
Principal	0	13,710	14,533	9,846	0	3,044	9,645	16,659	5,941	10,658
Total expenditures	39,886,054	39,816,256	43,540,125	44,606,340	53,663,321	52,612,089	46,197,954	49,691,162	50,682,911	51,684,342
Excess of revenues over (under) expenditures	(481,921)	3,136,571	(2,190,725)	(744,888)	(4,116,137)	(4,194,061)	7,047,504	2,767,590	3,331,641	2,381,067
Other Financing Sources (Uses)										
Capital lease	579,740	0	0	0	0	1,918,894	2,241,065	2,839,733	2,657,326	3,577,536
Transfers in	2,034,678	3,281,658	2,498,768	2,179,651	2,231,000	-2,514,434	(2,718,798)	(1,903,400)	(2,368,393)	(2,155,554)
Transfers out	(1,490,556)	(3,653,332)	(2,694,456)	(3,312,311)	(3,041,018)	2,134,015	120,508	448,123	0	117,235
Total other financing sources (uses)	1,123,862	(371,674)	(195,688)	(1,132,660)	(810,018)	1,538,475	(357,225)	1,384,456	288,933	1,539,217
Net change in fund balances	\$641,941	\$2,764,897	(\$2,386,413)	(\$1,877,548)	(\$4,926,155)	(\$2,655,586)	\$6,690,279	\$4,152,046	\$3,620,574	\$3,920,284
Debt service as a percentage of noncapital expenditures	0.000%	0.000%	0.492%	0.500%	0.485%	0.083%	0.221%	0.512%	0.343%	0.432%

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006.

CITY OF VALDOSTA, GEORGIA
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

	Program Revenues									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program										
Governmental activities:										
General government	\$8,106,728	\$11,594,766	\$8,751,232	\$10,348,558	\$12,988,509	\$11,831,839	12,242,922	\$12,371,305	\$12,903,232	\$13,849,669
Public safety	3,624,803	3,589,112	4,685,125	4,823,989	3,789,268	4,364,660	4,742,804	3,124,634	3,718,756	3,424,877
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Public works	103,835	148,462	734,521	168,377	115,062	103,566	125,293	136,402	125,103	104,970
Public involvement	1,342,429	646,142	350,641	471,944	798,501	530,453	1,075,780	941,295	609,285	533,753
Subtotal governmental activities	13,177,795	15,978,482	14,521,519	15,812,868	17,691,340	16,830,518	18,186,799	16,573,636	17,356,376	17,913,269
Business-type activities:										
Sanitation	4,571,388	4,337,833	4,399,518	4,701,759	4,762,126	5,025,549	5,166,514	5,870,885	5,728,960	5,962,743
Water and sewer	13,885,754	14,230,907	15,658,173	15,383,914	17,153,046	17,185,147	18,533,990	18,741,504	19,786,789	20,936,570
Inspection	905,977	737,682	642,235	784,402	920,440	860,838	1,163,724	1,315,570	1,229,120	1,468,150
Zoning	204,679	144,487	61,153	0	0	0	0	0	0	0
DOL building	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157	469,157
Storm Water	1,257,082	2,200,390	1,612,468	1,280,524	1,286,864	1,283,342	1,690,913	1,795,212	1,808,869	1,813,191
Auditorium	18,407	46,237	47,562	42,536	51,130	43,734	49,011	54,835	46,822	38,198
Motor fuel	539,213	546,995	566,586	542,151	412,513	280,181	301,332	326,248	354,290	262,772
Subtotal business-type activities	21,851,657	22,713,688	23,456,852	23,204,443	25,055,276	25,147,948	27,374,641	28,573,411	29,424,007	30,950,781
Total primary government	<u>\$35,029,452</u>	<u>\$38,692,170</u>	<u>\$37,978,371</u>	<u>\$39,017,311</u>	<u>\$42,746,616</u>	<u>\$41,978,466</u>	<u>\$45,561,440</u>	<u>\$45,147,047</u>	<u>\$46,780,383</u>	<u>\$48,864,050</u>

CITY OF VALDOSTA, GEORGIA**Tax Revenues by Source, Governmental Funds****Last Ten Fiscal Years**

(modified accrual basis of accounting)

Fiscal Year	General Property	Sales & Use	Gross Receipts & Business	Other	Total
2011	5,807,053	17,942,154	7,716,286	1,634,372	33,099,865
2012	6,088,589	18,265,089	8,916,032	1,562,163	34,831,873
2013	6,452,218	17,705,354	8,318,442	1,667,923	34,143,937
2014	6,841,008	19,436,390	8,654,695	1,856,448	36,788,541
2015	10,027,554	21,228,559	8,457,767	2,959,335	42,673,215
2016	10,088,963	19,806,857	8,862,637	3,007,983	41,766,440
2017	12,605,365	19,512,076	9,053,726	3,059,866	44,231,033
2018	13,016,374	19,324,703	9,160,644	4,339,113	45,840,834
2019	13,334,408	20,219,071	9,603,869	4,375,402	47,532,750
2020	12,784,319	21,629,445	9,639,514	4,058,538	48,111,816
Change					
2011-2020	120.15%	20.55%	24.92%	148.32%	45.35%

CITY OF VALDOSTA, GEORGIA**Assessed Value and Actual Value of Taxable Property****Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Utility Property	Agricultural Property	Historic Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2011	658,578,350	557,128,860	228,784,772	32,272,532	1,972,320	823,195	96,143,768	153,692,980	1,422,010,817	4.112
2012	659,437,865	547,708,336	245,225,166	32,906,051	1,969,190	822,117	94,767,295	180,228,732	1,402,607,288	4.112
2013	646,393,405	575,038,137	285,544,257	31,238,071	2,025,391	1,039,970	101,085,600	185,281,491	1,457,083,340	4.106
2014	636,464,744	568,638,842	290,065,770	33,532,264	1,608,965	991,169	80,605,794	150,161,004	1,461,746,544	4.102
2015	629,977,119	586,799,538	286,741,138	35,739,813	1,717,959	1,626,297	93,245,936	150,697,124	1,485,150,676	6.102
2016	621,844,752	675,809,277	309,723,341	37,643,223	2,791,956	2,107,567	60,784,731	198,655,408	1,512,049,439	6.102
2017	618,968,964	647,258,960	315,738,862	35,279,028	2,762,184	2,068,745	46,531,393	183,194,374	1,485,413,762	7.950
2018	616,813,247	643,516,697	315,719,145	34,938,130	2,805,968	2,337,397	34,303,453	179,265,606	1,471,168,431	8.001
2019	620,291,063	651,896,039	341,643,108	33,253,858	2,763,145	91,094	26,293,497	173,888,986	1,502,342,818	8.001
2020	627,083,691	674,967,806	330,428,668	40,176,255	3,093,673	2,308,258	1,234,027	189,295,933	1,489,996,445	7.809

Source: Lowndes County Tax Commissioner

CITY OF VALDOSTA, GEORGIA

Water and Sewer Rates

Last Ten Fiscal Years

Fiscal Year	Residential Class			
	Water Base Charge	Sewer Base Charge	Water Rate Per CCF	Sewer Rate Per CCF
2011	3.00	3.00	1.33	2.66
2012	3.50	3.50	1.40	2.80
2013	4.20	4.20	1.40	2.80
2014	5.60	5.60	1.40	2.80
2015	6.30	6.30	1.40	2.80
2016	7.00	7.00	1.40	2.80
2017	7.35	7.35	1.40	2.80
2018	7.72	7.72	1.47	2.94
2019	8.11	8.11	1.47	2.94
2020	8.52	8.52	1.47	2.94

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

Fiscal Year	Bulk Class	
	Water Rate Per CCF	Sewer Rate Per CCF
2011	0.90	2.04
2012	0.90	2.04
2013	N/A	N/A
2014	N/A	N/A
2015	N/A	N/A
2016	N/A	N/A
2017	N/A	N/A
2018	N/A	N/A
2019	N/A	N/A
2020	N/A	N/A

Note: Base charge varies with meter size. Bulk rate user with industrial sized meter using greater than 1,000 CCF per month. Separate bulk rate discontinued in fiscal year 2013.

CITY OF VALDOSTA, GEORGIA
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years

Fiscal Year	Operating Millage Rate	Total Direct Rate	Overlapping Rates*		
			Valdosta School District	Community Improvement District	Lowndes County
2011	4.112	4.112	16.98	10.00	9.56
2012	4.112	4.112	16.98	10.00	9.56
2013	4.106	4.106	16.98	5.00	9.56
2014	4.102	4.102	16.98	5.00	9.56
2015	6.102	6.102	16.98	5.00	9.56
2016	6.102	6.102	16.98	5.00	9.05
2017	7.950	7.950	16.98	5.00	8.974
2018	8.001	8.001	16.98	5.00	8.974
2019	7.916	7.916	16.98	5.00	8.814
2020	7.809	7.809	16.75	5.00	8.688

Source: Lowndes County Tax Commissioner

*Overlapping rates are those of local and county governments that apply to property owners within the City of Valdosta. Not all overlapping rates apply to all Valdosta property owners; for example, the Community Improvement District rates apply only to the city property owners whose property is within the district's geographic boundaries.

CITY OF VALDOSTA, GEORGIA

Principal Water Sewer Customers

Last Ten Fiscal Years

Customer	2020			2019			2018			2017			2016		
	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total
A D M	\$939,345	1	4.54%	\$898,154	1	4.57%	\$719,181	1	3.89%	\$725,622	1	4.24%	\$763,160	1	4.46%
Valdosta State University	678,180	2	3.28%	716,731	2	3.65%	447,815	2	2.42%	436,046	2	2.55%	453,423	2	2.65%
South Georgia Medical Center	445,530	3	2.15%	362,941	4	1.85%	222,373	4	1.20%	192,159	5	1.12%	295,014	4	1.72%
Valdosta Board of Education	434,383	4	2.10%	161,960	5	0.82%	-	-	-	-	-	-	-	-	-
Valdosta Correctional Institute	399,450	5	1.93%	424,047	3	2.16%	415,796	3	2.25%	382,266	3	2.23%	351,497	3	2.05%
Veolia Solid Waste SE	232,648	6	1.13%	154,427	6	0.79%	-	-	-	-	-	-	-	-	-
EBSCO Northwind	142,441	7	0.69%	134,780	7	0.69%	-	-	-	-	-	-	-	-	-
Evergreen at 5 Points	134,294	8	0.65%	-	-	-	87,303	10	0.47%	79,711	10	0.47%	-	-	-
South Georgia Pecan Co.	128,129	9	0.62%	117,682	10	0.60%	126,576	6	0.68%	105,109	6	0.61%	93,513	8	0.55%
DLP Realty	124,717	10	0.60%	-	-	-	-	-	-	-	-	-	-	-	-
Blanton Commons	-	-	-	129,313	8	0.66%	-	-	-	-	-	-	-	-	-
Chemical Research Technology Inc.	-	-	-	127,711	9	0.65%	166,530	5	0.90%	83,981	8	0.49%	-	-	-
City of Remerton	-	-	-	-	-	-	98,759	7	0.53%	207,932	4	1.21%	184,607	6	1.08%
Woodstone Apartments	-	-	-	-	-	-	97,638	8	0.53%	87,233	7	0.51%	72,684	10	0.42%
Union Tank Car	-	-	-	-	-	-	92,636	9	0.50%	83,400	9	0.49%	-	-	-
Lowndes County Utilities	-	-	-	-	-	-	-	-	-	-	-	-	279,747	5	1.63%
Lowndes County Jail	-	-	-	-	-	-	-	-	-	-	-	-	141,415	7	0.83%
Quad Graphics	-	-	-	-	-	-	-	-	-	-	-	-	85,725	9	0.50%
Total	\$3,659,117.00		17.70%	\$3,227,746.00		16.44%	\$2,474,607.00		13.37%	\$2,383,459.00		13.92%	\$2,720,785.00		15.89%

Customer	2015			2014			2013			2012			2011		
	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total	Amount Paid	Rank	Percentage of Total
A D M	\$778,395	1	4.55%	\$667,428	1	4.36%	\$709,451	1	4.75%	\$755,835	1	5.33%	\$538,804	1	3.81%
Valdosta State University	613,452	2	3.58%	618,673	2	4.04%	479,675	2	3.21%	397,654	2	2.80%	446,869	2	3.24%
Valdosta Correctional Institute	384,952	3	2.25%	360,132	3	2.35%	375,591	3	2.51%	362,925	3	2.56%	332,048	3	2.41%
South Georgia Medical Center	266,597	4	1.56%	228,558	4	1.49%	255,716	4	1.71%	259,453	4	1.83%	183,178	5	1.33%
Lowndes County Utilities	261,083	5	1.53%	85,611	10	0.56%	188,057	6	1.26%	179,881	6	1.27%	273,743	4	1.99%
City of Remerton	169,669	6	0.99%	155,272	6	1.01%	254,232	5	1.70%	130,346	7	0.92%	116,029	7	0.86%
ERCO Worldwide	114,299	7	0.67%	120,371	8	0.79%	124,603	7	0.83%	97,720	8	0.69%	102,197	8	0.74%
Woodstone Apartments	107,680	8	0.63%	129,448	7	0.85%	101,067	9	0.68%	-	-	-	91,873	9	0.67%
South Georgia Pecan Co.	100,987	9	0.59%	165,707	5	1.08%	116,782	8	0.78%	-	-	-	-	-	-
Lowndes County Jail	100,976	10	0.59%	109822	9	0.72%	-	-	-	86,640	10	0.61%	118539	6	0.86%
Arizona Chemical	-	-	-	-	-	-	89,718	10	0.60%	93,679	9	0.66%	69,809	10	0.51%
Campus Crest	-	-	-	-	-	-	-	-	-	187,860	5	1.33%	-	-	-
Total	\$2,898,090.00		16.93%	\$2,641,022.00		17.26%	\$2,694,892.00		18.03%	\$2,551,993.00		18.00%	\$2,275,089.00		16.50%

City of Valdosta, Georgia
Principal Property Taxpayers
For the Fiscal Years Ended June 30, 2020 and 2011

2020				2011			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Archer Daniels Midland Co.	\$ 44,105,852	1	2.96%	Archer Daniels Midland Co.	\$ 57,573,823	1	4.03%
Lowes Distribution, Inc.	44,000,925	2	2.95%	Lowes Companies, Inc.	38,002,012	2	2.66%
South Georgia Pecan	24,185,266	3	1.62%	Du Pont	16,115,098	3	1.13%
JM Smith Corp	21,842,356	4	1.47%	JM Simth Corp	19,088,906	4	1.34%
GF Valdosta Mall	16,000,563	5	1.07%	Saft Newco, Inc.	13,453,388	5	0.94%
Dupont	16,105,523	6	1.08%	South Georgia Pecan	10,031,153	6	0.70%
Home Depot	14,756,892	7	0.99%	Wal-Mart\Sam's Club	11,198,038	7	0.78%
Saft Newco, Inc.	11,825,654	8	0.80%	Marelana Valdosta Mall	10,103,512	8	0.71%
Ring Container Tech LLC	10,190,563	9	0.68%	Stratas Foods LLC	6,193,752	9	0.44%
Stratas Fppd	6,500,896	10	0.45%	ACC/GF 111 Blanton Comm	6,262,253	10	0.44%
Total Principal Taxpayers	209,514,490		14.06%	Total Principal Taxpayers	188,021,935		13.18%
All Other Taxpayers	1,280,481,955		85.94%	All Other Taxpayers	1,238,931,523		86.82%
Total	<u>\$1,489,996,445</u>		<u>100.00%</u>	Total	<u>\$ 1,426,953,458</u>		<u>100.00%</u>

Source:

Lowndes County Tax Commissioner's Office

CITY OF VALDOSTA, GEORGIA
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	5,567,391	5,302,865	95.25%	263,657	5,566,522	99.98%
2012	5,307,294	5,063,850	95.41%	242,039	5,305,889	99.97%
2013	5,496,867	5,246,759	95.45%	250,108	5,496,867	100.00%
2014	5,523,422	5,297,924	95.92%	210,237	5,508,161	99.72%
2015	8,200,148	7,924,813	96.64%	275,335	8,200,148	100.00%
2016	8,860,209	8,287,698	93.54%	378,267	8,665,965	97.81%
2017	11,339,178	10,923,838	96.34%	414,811	11,338,649	100.00%
2018	11,339,178	10,923,838	96.34%	415,080	11,338,918	100.00%
2019	11,564,827	10,889,853	94.16%	469,696	11,359,549	98.22%
2020	11,425,916	10,976,173	96.06%	0	10,976,173	96.06%

CITY OF VALDOSTA, GEORGIA

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years
(accrual basis of accounting)

Governmental Activities		Business-Type Activities							
Fiscal Year	Capital Leases	Revenue Bonds	Term Loans Payable	Total Primary Government	Percentage of Personal Income	Per Capita		Personal Income	Per Capita
2011	\$579,740	\$0	\$37,252,311	\$37,832,051	0.02	694	2010	1,608,935,216	54,518
2012	437,742	0	47,965,307	48,403,049	0.03	864	2011	1,701,689,163	56,019
2013	296,567	2,546,000	47,796,915	50,639,482	0.03	879	2012	1,864,530,084	57,597
2014	150,705	2,313,000	48,100,481	50,564,186	0.03	895	2013	1,835,858,424	56,481
2015	57,497	2,080,000	71,774,022	73,911,519	0.04	1,253	2014	1,895,949,172	58,994
2016	2,114,046	2,630,310	84,929,014	89,673,370	0.05	1,592	2015	1,857,903,464	56,324
2017	2,599,644	1,614,000	86,516,027	90,729,671	0.05	1,593	2016	1,978,212,355	56,945
2018	2,487,268	1,381,000	81,130,276	84,998,544	0.05	1,507	2017	1,812,743,890	56,405
2019	4,543,413	1,148,000	73,827,629	79,519,042	0.04	1,409	2018	1,813,418,788	56,426
2020	3,887,603	915,000	66,815,617	71,618,220	N/A	N/A	2019	1,814,415,066	56,457
							2020		

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

CITY OF VALDOSTA, GEORGIA

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Redevelopment Bonds	Total		
2011	\$0	\$0	\$0	\$0	\$0.00
2012	0	0	0	0	0.00
2013	0	0	0	0	0.00
2014	0	0	0	0	0.00
2015	0	0	0	0	0.00
2016	0	0	0	0	0.00
2017	0	0	0	0	0.00
2018	0	0	0	0	0.00
2019	0	0	0	0	0.00
2020	0	0	0	0	0.00

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

CITY OF VALDOSTA, GEORGIA

Direct and Overlapping Governmental Activities Debt

As of June 30, 2020

Governmental Unit		Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes				
Valdosta City School System	2015 Bond Series	\$58,330,000	100.00%	\$58,330,000
Other debt				
Lowndes County - Capital leases		147,090	48.05%	70,677
Lowndes County - Bonds		3,910,000	48.05%	1,878,755
				<u>1,949,432</u>
Subtotal, overlapping debt				60,279,432
City direct debt				3,887,603
				<u><u>\$64,167,035</u></u>

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

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

Estimated percentage applicable based on 2019 County taxable valuation of \$3,537,681,498 and City taxable valuation of \$1,699,778,102 percent 48.05%.

CITY OF VALDOSTA, GEORGIA

Legal Debt Margin Information

Last Ten Fiscal Years
(accrual basis of accounting)

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$1,484,065,281
Debt limit (10% of assessed value)	148,406,528
Debt applicable to limit:	
General obligation bonds	0
Less: Amount set aside for repayment of general obligation debt	0
Total net debt applicable to limit	0
Legal debt margin	<u>\$148,406,528</u>

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$142,201,082	\$140,260,729	\$145,708,334	\$146,174,654	\$145,662,006	\$151,204,944	\$147,202,543	\$144,681,681	\$148,618,300	\$148,406,528
Total net debt applicable to limit	579,740	437,742	296,567	150,705	57,497	2,114,046	2,599,644	2,487,268	4,543,412	3,887,603
Legal debt margin	\$141,621,342	\$139,822,987	\$145,411,767	\$146,023,949	\$145,604,509	\$149,090,898	\$144,602,899	\$142,194,413	\$144,074,888	\$144,518,925
Total net debt applicable to the limit as a percentage of debt limit	0.41%	0.31%	0.20%	0.10%	0.04%	1.42%	1.80%	1.75%	3.15%	2.69%

CITY OF VALDOSTA, GEORGIA

Pledged-Revenue Coverage

Last Ten Fiscal Years
(accrual basis of accounting)

Water/Sewer Revenue Bonds						
Fiscal Year	Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2011	\$13,817,286	\$11,595,259	\$2,222,027	\$0	\$0	0.00
2012	14,177,921	11,744,634	2,433,287	0	0	0.00
2013	15,240,634	11,308,983	3,931,651	0	0	0.00
2014	15,383,914	13,082,734	2,301,180	0	0	0.00
2015	17,153,046	14,792,123	2,360,923	0	0	0.00
2016	17,185,147	14,303,538	2,881,609	0	0	0.00
2017	18,482,449	16,264,679	2,217,770	0	0	0.00
2018	18,707,077	17,557,671	1,149,406	0	0	0.00
2019	19,784,219	16,636,772	3,147,447	0	0	0.00
2020	20,934,210	17,042,703	3,891,507	0	0	0.00

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

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

Year	Population	Personal Income	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2011	54,518	4,063,000	29,512	30.9	7,511	8.8%
2012	56,019	4,134,363	30,377	27.1	7,647	9.2%
2013	57,597	4,322,846	32,372	27.0	7,802	9.1%
2014	56,481	4,672,714	32,504	30.0	8,012	7.9%
2015	58,994	4,644,735	32,138	26.6	8,074	6.6%
2016	56,324	4,591,688	32,986	27.0	7,834	5.7%
2017	56,945	4,772,327	34,739	28.5	8,134	5.0%
2018	56,405	5,052,400	N/A	29.1	8,390	4.4%
2019	56,426	N/A	N/A	29.7	8,967	4.0%
2020	56,457	N/A	N/A	29.8	8,427	6.6%

Sources:

US Census Bureau

US Department of Commerce - BEA

Georgia Department of Labor

Valdosta City School Board

Valdost Chamber of Commerce

City of Valdosta, Georgia
Principal Employers
For the Fiscal Years Ended June 30, 2019 and 2010

<u>Employer</u>	2020			<u>Employer</u>	2011		
	Number of Employees	Rank	Percentage of Total City Employment		Number of Employees	Rank	Percentage of Total City Employment
Moody Air Force Base	1,000	1	1.60%	Moody Air Force Base	6,100	1	10.21%
Valdosta State University	3,178	2	5.09%	South Georgia Medical Center	2,300	2	3.85%
South Georgia Medical Center	2,600	4	4.16%	Valdosta State University	2,280	3	3.81%
Lowndes County Schools	1,430	3	2.29%	Lowndes County Schools	1,279	4	2.14%
Valdosta City School System	1,100	5	1.76%	Valdosta City School System	950	5	1.59%
Lowe's Distribution Center	945	6	1.51%	Lowe's Distribution Center	900	6	1.51%
Fresh Beginnings Inc.	920	8	1.47%	Convergys	850	7	1.42%
Wild Adventures	800	7	1.28%	City of Valdosta Government	578	8	0.97%
Walmart Supercenters	685	9	1.10%	Lowndes County Government	540	9	0.90%
City of Valdosta Government	650	10	1.04%	Fresh Beginning Baked Goods	500	10	0.84%
Total Principal Employees	13,308		21.30%	Total Principal Employees	16,277		27.23%
Other Employees	49,174		78.70%	Other Employees	43,492		72.77%
Total Employees	62,482		100.00%	Total Employees	59,769		100.00%

Sources:

Georgia Department of Labor
Valdosta-Lowndes Chamber of Commerce

City of Valdosta, Georgia
 Full-time Equivalent City Employees by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Manager's Office	4	4	4	4	5	5	6	5	5	4
Public Relations	2	2	2	2	2	2	2	3	3	2
Municipal Court	4	4	4	4	4	4	4	4	5	5
Human Resources	4	4	4	4	3	4	4	4	4	4
Finance	24	26	25	25	24	24	23	24	24	23
Engineering	27	27	22	22	23	25	26	21	25	28
Information Technology	1	2	2	2	0	0	0	0	0	0
Facility Maintenance	5	5	4	4	4	5	5	6	6	6
Police	171	172	169	169	162	166	183	171	164	182
Fire	99	98	102	102	101	96	105	109	106	108
Public Works	36	32	21	21	30	27	31	32	33	36
Public Involvement	8	7	7	7	2	2	2	2	2	2
Community Development	24	22	21	21	21	22	22	19	18	18
Sanitation	55	48	44	44	48	55	51	54	51	54
Water	44	49	45	45	59	66	69	69	68	75
Sewer	39	36	36	36	24	18	18	18	18	19
Storm Water	14	14	14	14	13	12	15	15	12	12
Zoning	4	4	4	4	4	4	4	4	4	4
Fleet	15	11	11	11	13	14	14	15	14	15
Total	<u>580</u>	<u>567</u>	<u>541</u>	<u>541</u>	<u>542</u>	<u>551</u>	<u>584</u>	<u>572</u>	<u>562</u>	<u>597</u>

Sources:

City Human Resource Department

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
City of Valdosta										
Operating Indicators by Function/Program										
<u>Engineering</u>										
Feet of Failed Pavement Repaired	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Percent of projects awarded within 10% of engineer's estimate	90%	90%	90%	90%	90%	67%	67%	70%	80%	75%
<u>Municipal Court</u>										
Dockets Processed	15,000	16,500	17,000	17,000	14,000	12,000	12,000	12,500	12,000	12,400
<u>Police</u>										
Increase in Citizen contacts	2,650	2,900	1,800	2,770	2,770	2,800	2,850	2,900	2,900	2,950
Narcotics Arrests	320	320	320	320	320	325	330	335	335	340
Students Completing Dare	1,360	1,376	1,350	1,202	1,370	1,380	1,385	1,400	1,400	1,350
<u>Fire</u>										
Number of Fire Stations	7	7	7	7	7	7	7	7	7	7
Number of Fire Inspections performed	1,395	1,390	1,500	1,500	1,245	1,200	1,200	1,300	1,200	1,250
<u>Public Works</u>										
Street Sweeping Frequency per year	25	30	30	15	12	13	12	13	13	14
<u>Arborist</u>										
Number of Trees Planted	75	280	220	100	40	40	40	45	10	35
Number of trees Pruned	1,000	1,200	1,300	500	1,000	800	800	850	1,000	1,050
<u>Public Involvement</u>										
Bi-monthly Newsletters Produced	6	6	6	4	4	4	4	5	5	4
Net Gain of new downtown Buisnesses	5	6	8	5	5	5	6	5	5	4
<u>Sanitation</u>										
Residential Stops/collection employee/week	925	2,620	2,635	2,650	2,640	2,660	2,670	2,680	2,680	2,675
Commercial lifts per hour/driver	25	38	40	40	40	38	39	40	40	41
<u>Drainage</u>										
Feet of storm drain cleaned and maintained	20,000	13,311	15,000	15,000	50,000	50,000	50,000	51,000	50,000	51,000
<u>Water</u>										
Average volume of water treated (MGD)	11.150	11.500	11.500	9.670	11.260	11.6	11.6	12.0	11.9	12.0
New meters installed annually	500	1000	1500	1500	1500	500	500	500	350	400
<u>Sewer</u>										
Average volume of wastewater treated daily (MGD)	9.5	6.5	7.7	8.1	9.9	10	10	11	7.2	7.3
Miles of sewers maintained	270	270	275	275	330	315	330	335	355	355
<u>Inspections</u>										
Percentage of Plans completed within 10 days	95%	95%	95%	95%	95%	95%	95%	95%	97%	98%
Percentage of inspections completed in 24 hours	95%	95%	95%	95%	95%	95%	95%	95%	100%	100%
<u>Auditorium</u>										
Number of Days Rented	330	330	330	330	175	175	175	180	185	100

Source: City of Valdosta Budget Document

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

<u>Function Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	155	155	158	158	158	158	158	158	158	160
Fire Stations	7	7	7	7	7	7	7	7	7	7
Refuse collection										
Collection trucks	13	13	13	13	13	13	13	13	13	13
Other public works										
Streets (miles)	304	304	304	304	304	304	304	304	304	304
Highways (miles)										
Streetlights	6,222	6,266	6,266	6,277	6,277	6,277	6,277	6,281	6,200	6,290
Traffic signals	125	126	127	127	127	127	128	128	128	128
Park and recreation										
Acreage	300	300	300	300	300	300	300	300	300	300
Playgrounds	2	2	2	2	2	2	2	2	2	2
Baseball/softball diamonds	24	24	24	24	24	24	24	24	24	24
Soccer/football fields	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	320	389	395	402	410	419	430	439	441	441
Fire hydrants	3,200	3,301	3,341	3,387	3,443	3,477	3,481	3,531	3,548	3,548
Storage capacity (gallons)	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000
Wastewater										
Sanitary sewers (miles)	325	325	330	330	330	335	342	380	382	382
Treatment capacity (gallons)	13,830,000	13,830,000	17,270,000	17,270,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000	17,700,000

Sources: Various city departments



Single Audit

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

Grant Title	CFDA Number	Grant I. D. Number	Expenditures	Passed through to Subrecipients
<u>Department of Homeland Security</u>				
Direct Federal Grants:				
Homeland Security Cluster	97.067	EMW-2018-SS-00067-S01	\$2,094	\$0
Homeland Security Cluster	97.067	EMW-2019	146	0
Total Homeland Security Cluster			<u>2,240</u>	<u>0</u>
Law Enforcement Officer Reimb. Agreement	97.090	HSTS0216HSLR793	16,590	0
TOTAL U S DEPARTMENT OF HOMELAND SECURITY			<u>18,830</u>	<u>0</u>
<u>Department of Housing and Urban Development</u>				
Direct Federal Grants:				
Community Development Block Grants				
Entitlement Grants Cluster	14.218	B-18-MC-13-0015	302,227	0
Entitlement Grants Cluster	14.218	B-19-MC-13-0015	266,015	0
Total Entitlement Grant Cluster			<u>568,242</u>	<u>0</u>
TOTAL U S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>568,242</u>	<u>0</u>
<u>Department of Justice</u>				
Direct Federal Grants:				
JAG Program Cluster	16.738	2018-DJ-BX-0358	16,532	5,816
Bulletproof Vest Partnership Program	16.607	N/A	13,618	0
TOTAL U S DEPARTMENT OF JUSTICE			<u>30,150</u>	<u>5,816</u>
<u>Department of Transportation</u>				
Direct Federal Grants:				
Airport Development Aid Program	20.106	3-13-0115-33-2017	8,622	0
Airport Development Aid Program	20.106	3-13-0115-34-2018	86,082	0
Airport Development Aid Program	20.106	3-13-0115-35-2019	935,718	0
Airport Development Aid Program	20.106	3-13-0115-36-2019	129,631	0
Airport Development Aid Program	20.106	3-13-0115-37-2020	17,594	0
Total Airport Development Aid Program			<u>1,177,647</u>	<u>0</u>
State of Georgia Passthrough Federal Grants:				
Governor's Office of Highway Safety				
Highway Safety Cluster	20.600	TEN-2019-402PT-011	2,070	0
Highway Safety Cluster	20.600	TEN-2020-402PT-014	11,910	0
Total Highway Safety Cluster			<u>13,980</u>	<u>0</u>
TOTAL U S DEPARTMENT OF TRANSPORTATION			<u>1,191,627</u>	<u>0</u>
TOTAL OF EXPENDITURES OF FEDERAL AWARDS			<u>\$1,808,849</u>	<u>\$5,816</u>

The accompanying notes are an integral part of this statement.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Valdosta (the "City"). The City receives pass-through financial assistance from the Georgia Department of Community Affairs and the Georgia Department of Transportation.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities

NOTE 3. INDIRECT COST RATE

The amount expended includes \$0 claimed as an indirect cost recovery. The City of Valdosta has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



Henderson & Godbee, LLP

Certified Public Accountants and Business Consultants

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Valdosta, Georgia's basic financial statements, and have issued our report thereon dated December 31, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Valdosta, Georgia's internal control over financial reporting (internal control) to determine the 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 of Valdosta, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Valdosta, Georgia's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Valdosta, Georgia'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Henderson & Godbee, LLP". The script is cursive and fluid.

Henderson & Godbee, LLP
Certified Public Accountants
Valdosta, Georgia

December 31, 2020



Henderson & Godbee, LLP

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

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

Report on Compliance for Each Major Federal Program

We have audited the City of Valdosta, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Valdosta, Georgia's major federal programs for the year ended June 30, 2020. The City of Valdosta, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Valdosta, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Valdosta, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Valdosta, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Valdosta, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the City of Valdosta, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Valdosta, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Valdosta, Georgia's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Henderson & Godbee, LLP
Certified Public Accountants
Valdosta, Georgia

December 31, 2020

**CITY OF VALDOSTA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued		Unmodified
Internal control over financial reporting		
Material weakness identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified not		
considered to be material weakness?	_____ Yes	_____ <u>X</u> None reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal control over major programs		
Material weaknesses identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified not		
considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None reported

Type of auditor’s report issued on compliance		
for major programs:		Unmodified
Any audit findings disclosed that are required to be reported		
in accordance with Circular A-133, Section .510(a)?	_____ Yes	_____ <u>X</u> No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.218	U.S. Department of Housing and Urban Development Community Development Entitlement Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee considered a low risk auditee?	<u>X</u> Yes	_____ No
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**CITY OF VALDOSTA, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings and Responses

None reported

Section II – Federal Award Findings and Questioned Costs

None reported

**CITY OF VALDOSTA, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

Status of Prior Year Findings

None reported

