



City of
VALDOSTA, GEORGIA
Annual Comprehensive Financial Report

Fiscal Year Ending June 30, 2021

Annual Comprehensive Financial Report

City of
VALDOSTA, GEORGIA

for the Fiscal Year
July 1, 2020 ~ June 30, 2021

FINANCE DEPARTMENT

L. Charles Dinkins, Jr.

Finance Director

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Introduction



CITY OF VALDOSTA, GEORGIA

FINANCE DEPARTMENT

L. CHARLES DINKINS, JR.
FINANCE DIRECTOR

May 18, 2022

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

In accordance with State Statutes and Section 4.51 of the Charter of Valdosta, Georgia, the Annual Comprehensive Financial Report for the fiscal year 2021 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 Annual Comprehensive Financial Report is presented in four groupings: an Introductory Section, Management's Discussion and Analysis, a series of Financial Sections, and a Statistical Section.

Management's Discussion and Analysis, which is required by 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, 2021. 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 experiencing steady geographic growth through voluntary annexations. This trend is expected to continue due to ongoing demand for city services particularly utility services.

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 90-95% 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 11,300 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, increasing cost of materials and supplies, and surging healthcare costs coupled with the increased demand upon public safety and other City services affect the City of Valdosta. 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 current special purpose one percent sales tax will enable the City to fund the City's five-year capital plan. This plan includes major drainage and road improvements, water and sewer improvements, and construction of additional public facilities.

Looking to the Future

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

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

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

Cash Management

The available assets of the various funds are pooled to the extent possible for investment purposes. Investments are made in accordance with applicable State laws and the City's investment policy. All securities purchased by the City are held by a designated safe

keeping institution. Similarly, demand deposit bank accounts must be collateralized by a pledge of the State of Georgia or United States Treasury or Agency obligations equal in market value to 110% percent of the uninsured amount of deposit. The investment policy also prescribes selection criteria for investment instruments and maturities of investments.

Risk Management

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

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

Internal Controls

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

Independent Audit

The financial statements have been prepared in compliance with governmental financial reporting guidelines issued by the Government Finance Officers Association ("GFOA") of the United States and Canada and generally accepted accounting principles applicable to governmental entities. The State of Georgia requires an annual audit of all financial records and transactions of the City by independent certified public accountants selected by the Mayor and City Council. The accounting firm of Maudlin and Jenkins, LLC has completed an audit of the City's Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021, 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the thirty-third 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 Annual Comprehensive Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

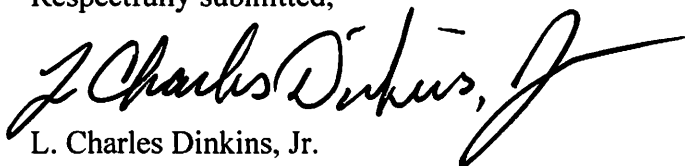
The City was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2021. This was the twenty-first consecutive year the City has received this award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to earn this award, a government must publish a budget document which meets program criteria as a policy document, financial plan, operations guide, and as a communications device.

Both the Certificate of Achievement and the Distinguished Budget Award are valid for a period of one year. We believe our current Annual Comprehensive Financial Report and our 2022 fiscal year budget document continue to conform to the requirements for each award.

Acknowledgements

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

Respectfully submitted,

A handwritten signature in black ink, reading "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

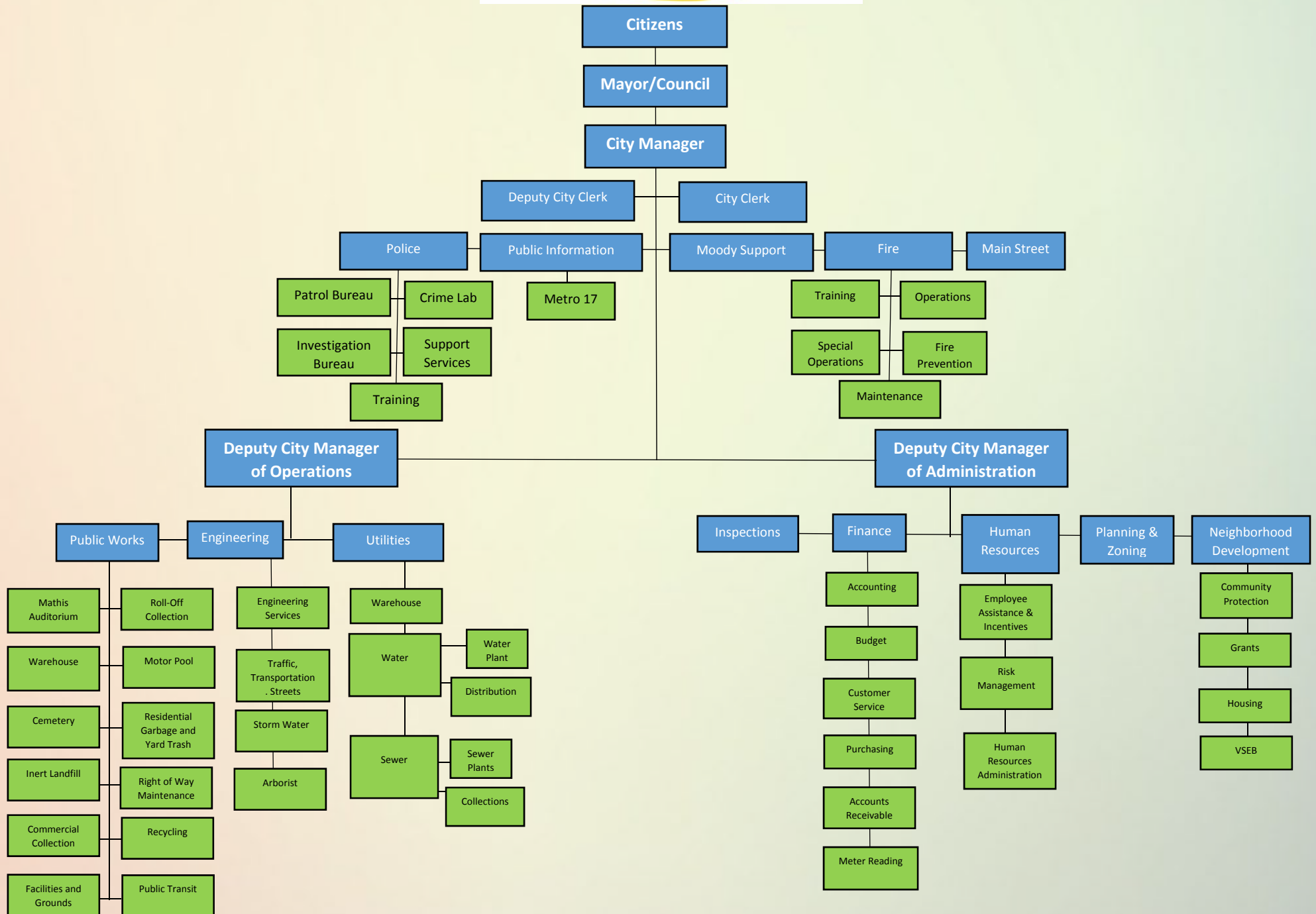
**City of Valdosta
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



PRINCIPAL OFFICIALS CITY OF VALDOSTA, GEORGIA

Mayor

Scott James Matheson

Council Member – At Large

Ben Norton

Council Member – District I

Vivian Miller-Cody

Council Member – District II

Sandra Tooley

Council Member – District III

Joseph Vickers

Council Member – District IV

Eric Howard

Council Member – District V

Tim Carroll

Council Member – District VI

Andy Gibbs

City Manager

L. Mark Barber

Clerk of Council

Teresa Bolden

City Attorney

Tim Tanner

Municipal Court Judge

Jeremy Baker

City Auditor

Maulden & Jenkins

Deputy City Manager of Administration

Catherine Nita

City Engineer

Patrick S. Collins

Fire Chief

Brian Boutwell

Police Chief

Leslie Manahan

Utilities Director

David Frost

Deputy City Manager of Operations

Richard Hardy

Finance Director

Chuck Dinkins



INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Members
of the City Council
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** (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City'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, as of June 30, 2021, 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.

Emphasis of Matter

As discussed in Note 20, the City implemented the Governmental Accounting Standards Board ("GASB") Statement No 84, *Fiduciary Activities*, as of July 1, 2020. This significantly changed the accounting for the City's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

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), the budgetary comparison information, OPEB information, and pension information (on pages 79 through 85) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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'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 accompanying schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated §48-8-121, and are not a required part of the basic financial statements. The accompanying 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*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedules 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 nonmajor fund financial statements and schedules, the schedules 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 the 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 May 18, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
May 18, 2022

Management's Discussion & Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Valdosta's Annual Comprehensive Financial Report presents a discussion and analysis of the City's financial performance during the fiscal year ending June 30, 2021. 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 \$224.49 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 \$7.94 million, primarily due to higher volumes of Federal grants.
- The governmental activities revenue increased by 13.14 million or 17.25% and the net results from activities increased \$6.63 million. The results of activities produced an increase in net position of \$7.94 million. Governmental expenses increased by \$5.50 million.
- The business-type activities revenue increased by \$1.58 million and the net results from activities decreased by \$0.30 million. The results of activities produced an increase in net position of \$6.29 million.
- The total cost of all City programs increased by \$8.39 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 \$6.18 million.
- The City's total debt increased \$1.57 million or 2.19%. The increase is additional loans from the Georgia Environmental Facilities Authority to improve and expand the city's water and sewer system.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Figure A-1

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Statements

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

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

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

Fund Financial Statements

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

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

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 Statement of Net Position and the Statement of Changes in Net Position. 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 6.77 percent from \$210.26 million at June 30, 2020 to \$224.49 million at June 30, 2021. (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
	2020	2021	2020	2021	2020	2021	2020 – 2021
Current and other assets	\$34.48	49.12	\$(3.10)	\$1.28	\$31.38	\$50.40	60.61%
Capital Assets	127.88	127.25	210.82	216.34	338.70	343.59	1.44%
Total Assets	162.36	176.37	207.72	217.62	370.08	\$393.99	6.46%
Deferred Outflows of Resources	\$24.50	\$20.54	-	-	24.50	20.54	-16.16%
Long-term debt outstanding	3.89	3.52	67.73	69.67	71.62	73.19	2.19%
Other liabilities	102.29	97.39	3.53	5.20	105.82	102.59	-3.05%
Total Liabilities	106.18	100.91	71.26	74.87	177.44	175.78	-0.94%
Deferred Inflow of Resources	6.88	14.26	-	-	6.88	14.26	107.27%
Net Position							
Net investment in capital assets	123.99	123.73	143.08	146.67	267.07	270.40	1.25%
Restricted	7.91	4.42	-	-	7.91	4.42	-44.12%
Unrestricted	(58.10)	(46.41)	(6.62)	(3.92)	(64.72)	(50.33)	(22.23%)
Total Net Position	\$73.80	\$81.74	\$136.46	\$142.75	\$210.26	\$224.49	6.77%

Net Position of the City's governmental activities increased by 10.76 percent to \$81.74 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 \$46.41 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 4.61 percent to \$142.75 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 17.25 percent to \$100.03 million. (See Table A-2) Approximately 35 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 26 percent represents grants, accommodation tax and investment revenue.

The total cost of all programs and services increased by 10.84 percent to 85.80 million. The City's expenses cover a myriad of services, with approximately 33 percent related to public safety, 24 percent related to general government expenses, and 24 percent related to water/sewer expenses. The balance of 19 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 \$13.14 million or 24 percent to \$67.5 million, while governmental activities expenses experienced an increase of \$5.50 million or 11% to \$55.04 million.

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

The City of Valdosta continues to trim budgets and cut costs in an effort to remain financially viable and 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		Activities		Percentage
	2020	2021	2020	2021	2020	2021	Change
							2020 – 2021
REVENUES							
Program Revenues:							
Charges for Services	\$2.28	\$2.48	\$30.95	\$32.53	\$33.23	\$35.01	5.36%
Operating Grants & Contributions	1.78	9.92	-	-	1.78	9.92	457.30%
Capital Grants & Contributions	13.86	15.00	-	-	13.86	15.00	8.23%
General Revenues:							
Property Taxes	12.85	14.19	-	-	12.85	14.19	10.43%
Sales Taxes	9.91	11.66	-	-	9.91	11.66	17.66%
Accommodations Tax	2.70	2.89	-	-	2.70	2.89	7.04%
Other Taxes	10.52	10.64	-	-	10.52	10.64	1.14%
Investment Earnings	0.05	-	-	-	.05	-	(100.00%)
Misc	.41	.72	-	-	.41	.73	75.61%
Total Revenues	\$54.36	\$67.50	\$30.95	\$32.53	\$85.31	\$100.03	17.25%
EXPENSES							
Program Activities							
Primary Government:							
Governmental Activities:							
General Government	19.47	20.42	-	-	19.47	20.42	4.88%
Public Safety	25.91	28.71	-	-	25.91	28.71	10.81%
Public Works	1.89	2.17	-	-	1.89	2.17	14.81%
Economic Development and Assistance	2.27	3.74	-	-	2.27	3.74	64.76%
Business-type Activities:							
Solid Waste	-	-	5.63	6.21	5.63	6.21	10.30%
Water/Sewer	-	-	19.01	21.00	19.01	21.00	10.47%
Housing Inspections	-	-	.88	1.01	.88	10.1	14.77%
DOL Building	-	-	.30	.28	.30	.28	(6.67%)
Stormwater	-	-	1.47	1.73	1.47	1.73	17.69%
City Auditorium	-	-	.32	.32	.32	.32	0.00%
Motor Fuel	-	-	.26	.21	.26	.21	(19.23%)
Total Expenses	49.54	55.04	27.87	30.76	77.41	85.80	10.84%
Excess (deficiency) before transfers	4.82	12.46	3.08	1.77	7.90	14.23	80.13%
Transfers	(3.51)	(4.52)	3.51	4.52	-	-	.00%
Increase (Decrease) in Net Assets	1.31	7.94	6.59	6.29	7.90	14.23	80.13%
Net position, beginning	-	-	-	-	-	-	-
PPA	-	-	-	-	-	-	-
Net position, beginning, revised	72.49	73.80	129.87	136.46	202.36	210.26	3.90%
Net position, ending	\$73.80	\$81.74	\$136.46	\$142.75	\$210.26	\$224.49	6.77%

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 \$55.04 million.
- However, the amount that taxpayers paid for these activities through City taxes was \$26.92 million. Some of the cost was paid by:
 - Those who benefited directly from the programs (\$2.48 million).
 - Other governments and organizations that subsidized certain programs with grants and contributions (\$24.92 million).
 - Other miscellaneous sources such as investments (\$.72 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>
	2020	2021	2020 – 2021	2020	2021	2020 – 2021
General Government	\$19.47	\$20.42	4.88%	\$5.62	\$1.71	-69.57%
Public Safety	25.91	28.71	10.81%	22.49	20.55	-8.63%
Public Works	1.89	2.17	14.81%	1.78	2.09	17.42%
Economic Development and Assistance	2.27	3.74	64.76%	1.74	3.28	88.51%
Total	\$49.54	\$55.04	11.10%	\$31.63	\$27.63	-12.65%

Business-type Activities

Total revenues available during the year to finance enterprise (business type) activities were \$32.53 million. Funding was made available as follows: program revenues \$32.53 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The cost of all enterprise (business-type) activities for the year accumulated to \$30.76 million consisting of the following activities: solid waste \$6.21 million, water/sewer \$21.00 million, inspections \$1.01 million, city auditorium \$.32 million, motor fuel \$.21 million, DOL building \$.28 million, and storm water \$1.73 million. In addition the Enterprise funds transferred \$3.14 million to the General Fund for administrative services, and \$.71 million to Group Insurance Fund.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

General Fund Budgetary Highlights

Comparing the FY 2021 original General Fund budget, in the amount of \$41.83 million, to the final budget amount of \$42.04 million represents an increase of \$.21 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 a large increase in grant activity as well as an 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 \$4.44 million as a result of projects financed by this fund.

Sales Tax 201 Fund Highlights

The Sales Tax 2019 Fund experienced an increase in fund balance of 8.14 million as a result of strong sales tax collections and projects being scheduled for future years.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the year-end, the City had \$343.59 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 \$4.89 million or 1.44 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>
	2020	2021	2020	2021	2020	2021	2020 – 2021
Non-depreciable assets							
Land	\$77.11	\$77.11	\$3.04	\$3.04	\$80.15	\$80.14	(0.01%)
Construction in progress	.92	1.94	2.16	1.31	3.08	3.25	5.52%
Depreciable Assets							
Land improvements	13.79	13.76	163.38	164.46	177.17	178.22	.59%
Buildings	29.01	29.13	105.88	105.07	134.89	134.20	(0.51%)
Equipment	7.52	7.50	5.31	14.84	12.83	22.34	74.12%
Motor vehicles	21.97	23.94	-	-	21.97	23.94	8.97%
Infrastructure	108.85	108.86	-	-	108.85	108.86	0.01%
Intangibles	-	-	1.16	1.16	1.16	1.16	0.00%
Accumulated depreciation	(131.29)	(134.98)	(70.11)	(73.54)	(201.40)	(208.52)	3.54%
	\$127.88	\$127.25	\$210.82	\$216.34	338.70	\$343.59	1.44%

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 ongoing improvements.

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 \$73.19 million in total debt outstanding. Government wide debt increased by 2.19 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>		Percentage
	2020	2021	2020	2021	2020	2021	Change
Revenue Bonds	\$-	\$-	\$0.92	31.45	0.92	31.45	3318.48%
Notes Payable	-	-	66.81	38.22	66.81	38.22	(42.79%)
Capital Leases	3.89	3.52	-	-	3.89	3.52	(9.51%)
Total	\$3.89	\$3.52	\$67.73	\$69.67	\$71.62	\$73.19	2.19%

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 well in excess of what was budgeted. However, General Fund expenditures were slightly above budget. 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 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 increase in the gross tax base this year. This change is primarily the result of a decrease in exemptions. This increase augmented by reassessments resulting in a slight increase to the net digest.
- Business Gross Receipts Taxes (based on a business' gross receipts). This revenue increased approximately 6.0% this year, indicating an expanding local economy.
- General Fund's Ending Fund Balance – reflects the City's ability to meet ever increasing demands for general service while remaining financially sound and fiscally responsible by providing a buffer for short-term fluctuations in the economy. The General Fund experienced a significant increase in total fund balance at June 30, 2021.

FINANCIAL CONTACT

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

Basic Financial Statements

CITY OF VALDOSTA, GEORGIA
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$29,959,548	\$3,809,662	\$33,769,210
Receivables (net)	3,678,151	3,784,963	7,463,114
Due from other governments	2,906,770	3,852,785	6,759,555
Interfund balances	11,953,887	(11,953,887)	0
Inventories	617,730	487,579	1,105,309
Prepays	0	0	0
Restricted Cash	0	1,298,623	1,298,623
Capital assets:			
Non-depreciable	79,045,917	4,347,204	83,393,121
Depreciable (net)	48,207,981	211,994,073	260,202,054
Total Assets	\$176,369,984	\$217,621,002	\$393,990,986
DEFERRED OUTFLOWS OF RESOURCES			
Differences between actual and expected			
pension experience	\$1,902,124	\$0	\$1,902,124
Changes in pension actuarial assumptions	4,788,481	0	4,788,481
Pension payments after pension valuation	4,056,312	0	4,056,312
Net difference between projected and actual			0
Changes in OPEB actuarial assumptions	9,038,325	0	9,038,325
OPEB payments after OPEB valuation	757,767	0	757,767
Total Deferred Outflows	\$20,543,009	\$0	\$20,543,009
LIABILITIES			
Accounts payable	\$3,833,658	\$3,256,016	\$7,089,674
Contracts payable	39,093	0	39,093
Accrued interest payable	42,677	60,701	103,378
Deposits	0	1,252,255	1,252,255
Non-current liabilities			
Due within one year:			
Compensated absences	1,095,538	277,634	1,373,172
Due to other governments & agencies	0	2,612,346	2,612,346
Capital leases payable	529,666	0	529,666
Bonds payable	0	3,024,976	3,024,976
Accrued Revenue Bond Interest	0	58,719	58,719
Due in more than one year:			
Other post employment benefits	34,676,440	0	34,676,440
Compensated absences	740,512	290,233	1,030,745
Due to other governments & agencies	0	35,610,288	35,610,288
Capital leases payable	2,989,329	0	2,989,329
Net pension liability	52,046,141	0	52,046,141
Bonds payable	0	28,427,022	28,427,022
Unearned revenue	4,912,762	0	4,912,762
Total Liabilities	\$100,905,816	\$74,870,190	\$175,776,006
DEFERRED INFLOWS OF RESOURCES			
Net difference between projected and actual			
pension plan earnings	\$504,007	\$0	\$504,007
Differences between actual and expected			
Pension experience	226,694	0	226,694
Changes in OPEB actuarial assumptions	8,796,488	0	8,796,488
Differences between actual and expected			
OPEB experience	4,736,281	0	4,736,281
Total Deferred Inflows	\$14,263,470	\$0	\$14,263,470
NET POSITION			
Net investment in capital assets	\$123,365,691	\$144,666,144	\$268,031,835
Restricted for:			
Capital outlay	4,476,143	0	4,476,143
Housing Grants	2,333,933	0	2,333,933
Other purposes	342,001	0	342,001
Unrestricted	(48,774,061)	(1,915,332)	(50,689,393)
Total Net Position	\$81,743,707	\$142,750,812	\$224,494,519

The accompanying notes are an integral part of these statements.

**CITY OF VALDOSTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and Contributions	Grants and Contributions
Function/Program Activities				
Primary Government:				
Governmental Activities				
General Government	\$20,417,727	\$54,909	\$3,665,561	\$14,985,762
Public Safety	28,712,613	2,343,097	5,808,786	12,733
Public Works	2,170,497	81,979	0	0
Community Development	3,730,409	0	447,989	0
Interest on Long-term Debt	2,278	0	0	0
Total governmental activities	55,033,524	2,479,985	9,922,336	14,998,495
Business-type Activities				
Sanitation	6,207,759	6,369,081	0	0
Water and Sewer	20,996,360	21,957,504	0	0
Inspection	1,006,627	1,666,774	0	0
DOL Building	282,704	469,157	0	0
Storm Water	1,727,600	1,841,585	0	0
Auditorium	320,516	11,793	0	0
Motor Fuel	207,370	210,175	0	0
Total business-type activities	30,748,936	32,526,069	0	0
Total Primary Government	\$85,782,460	\$35,006,054	\$9,922,336	\$14,998,495
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
(\$1,711,495)	\$0	(\$1,711,495)
(20,547,997)	0	(20,547,997)
(2,088,518)	0	(2,088,518)
(3,282,420)	0	(3,282,420)
(2,278)	0	(2,278)
<u>(27,632,708)</u>	<u>0</u>	<u>(27,632,708)</u>
0	161,322	161,322
0	961,144	961,144
0	660,147	660,147
0	186,453	186,453
0	113,985	113,985
0	(308,723)	(308,723)
0	2,805	2,805
<u>0</u>	<u>1,777,133</u>	<u>1,777,133</u>
<u>(\$27,632,708)</u>	<u>\$1,777,133</u>	<u>(\$25,855,575)</u>
14,187,944	0	14,187,944
11,661,631	0	11,661,631
2,889,155	0	2,889,155
3,534,828	0	3,534,828
4,398,177	0	4,398,177
1,693,165	0	1,693,165
1,015,786	0	1,015,786
3,855	0	3,855
713,156	0	713,156
(4,515,657)	4,515,657	0
<u>35,582,040</u>	<u>4,515,657</u>	<u>40,097,697</u>
<u>7,949,332</u>	<u>6,292,790</u>	<u>14,242,122</u>
<u>73,794,375</u>	<u>136,458,022</u>	<u>210,252,397</u>
<u>\$81,743,707</u>	<u>\$142,750,812</u>	<u>\$224,494,519</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.

Federal Covid Relief - to account for proceeds of the American Rescue Plan Act of 2021.

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, 2021

	GENERAL	FEDERAL COVID RELIEF	SALES TAX 2013	SALES TAX 2019	CVDA	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and equivalents	\$2,831,706	\$4,913,340	\$3,019,931	\$11,179,408	\$113,924	\$7,087,360	\$29,145,669
Receivables (net)							
Taxes	511,557	0	0	1,144,400	3,492	0	1,659,449
Accounts	109,083	0	0	0	0	365,924	475,007
Second mortgages	0	0	0	0	0	1,468,796	1,468,796
Special assessments	45,387	0	0	0	0	0	45,387
Due from other governments and agencies	1,442,365	0	0	0	0	1,464,405	2,906,770
Interfund balances	5,040,072	0	0	0	19,626	100,000	5,159,698
Advance to other funds	6,080,536	0	0	0	0	0	6,080,536
Inventories, at cost	0	0	0	213,395	0	0	213,395
Total assets	<u>\$16,060,706</u>	<u>\$4,913,340</u>	<u>\$3,019,931</u>	<u>\$12,537,203</u>	<u>\$137,042</u>	<u>\$10,486,485</u>	<u>\$47,154,707</u>
LIABILITIES							
Liabilities:							
Accounts payable	\$1,084,924	\$0	\$4,281	\$44,826	\$0	\$812,981	\$1,947,012
Contracts payable	0	0	39,093	0	0	0	39,093
Due to:							
Other funds	3,829,020	0	37,579	63,455	6,081	1,002,300	4,938,435
Other governments and agencies	0	0	0	0	0	0	0
Advances from other funds	0	0	0	0	0	30,000	30,000
Unearned Revenue	0	4,912,762	0	0	0	0	4,912,762
Total liabilities	<u>4,913,944</u>	<u>4,912,762</u>	<u>80,953</u>	<u>108,281</u>	<u>6,081</u>	<u>1,845,281</u>	<u>11,867,302</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue	<u>636,973</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,502</u>	<u>1,161,502</u>	<u>1,799,977</u>
FUND BALANCES							
Fund Balance (deficit):							
Nonspendable	6,080,536	0	0	213,395	0	1,794,376	8,088,307
Restricted	263,460	578	542,414	2,729,854	129,459	3,486,312	7,152,077
Committed	10,767	0	0	0	0	0	10,767
Assigned	1,285,958	0	2,396,564	9,485,673	0	3,729,315	16,897,510
Unassigned	2,869,068	0	0	0	0	(1,530,301)	1,338,767
Total fund balance	<u>10,509,789</u>	<u>578</u>	<u>2,938,978</u>	<u>12,428,922</u>	<u>129,459</u>	<u>7,479,702</u>	<u>33,487,428</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$16,060,706</u>	<u>\$4,913,340</u>	<u>\$3,019,931</u>	<u>\$12,537,203</u>	<u>\$137,042</u>	<u>\$10,486,485</u>	<u>\$47,154,707</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, 2021**

Fund balances - total governmental funds	\$33,487,428
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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	\$234,660,884	
Less accumulated depreciation	<u>(117,237,533)</u>	117,423,351

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	(34,676,440)	
Changes in actuarial assumptions	241,837	
Differences between expected and actual experience	(4,736,281)	
OPEB payments after OPEB valuation date	<u>757,767</u>	(38,413,117)

Compensated absences		(1,786,011)
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Capital Leases		(370,333)
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Net pension liability	(\$52,046,141)	
Differences between expected and actual experience	1,675,430	
Changes in actuarial assumptions	4,788,481	
Pension payments after pension valuation date	4,056,312	
Net difference between projected and actual investment earnings	<u>(504,007)</u>	(42,029,925)

Revenue not received within 31 days in governmental funds is susceptible to full accrual on the entity-wide statements

Unavailable revenue		1,799,977
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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>11,632,337</u>
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Net position of governmental activities		<u><u>\$81,743,707</u></u>
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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, 2021

	GENERAL	FEDERAL COVID RELIEF	SALES TAX 2013	SALES TAX 2019	CVDA	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:							
Taxes	\$35,845,215	\$0	\$0	\$0	\$91,319	\$2,889,733	\$38,826,267
Licenses and permits	553,358	0	0	0	0	0	553,358
Charges for service	361,863	0	0	0	0	0	361,863
Fines and forfeitures	832,423	0	0	0	0	27,222	859,645
Interest income	1,208	578	0	0	137	1,932	3,855
Contributions	0	0	0	0	58,845	7,400	66,245
Miscellaneous	743,098	0	0	0	3,017	26,233	772,348
Intergovernmental	4,307,367	3,214,584	0	13,206,331	10,000	4,507,632	25,245,914
TOTAL REVENUES	42,644,532	3,215,162	0	13,206,331	163,318	7,460,152	66,689,495
EXPENDITURES:							
Current:							
General government	9,696,722	0	0	0	85,190	2,395,538	12,177,450
Public safety	27,591,150	0	0	0	0	0	27,591,150
Public works	2,019,765	0	0	0	0	0	2,019,765
Economic development and assistance	1,627,125	0	0	0	0	2,045,787	3,672,912
Capital outlay	0	0	4,227,285	5,282,808	0	2,722,559	12,232,652
Debt service principal	74,966	0	0	0	0	0	74,966
Debt service interest	2,278	0	0	0	0	0	2,278
TOTAL EXPENDITURES	41,012,006	0	4,227,285	5,282,808	85,190	7,163,884	57,771,173
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,632,526	3,215,162	(4,227,285)	7,923,523	78,128	296,268	8,918,322
OTHER FINANCING SOURCES (USES):							
Transfers in	6,385,887	0	0	213,395	0	0	6,599,282
Transfers out	(1,967,977)	(3,214,584)	(213,395)	0	0	(926,735)	(6,322,691)
Capital leases	126,022	0	0	0	0	0	126,022
TOTAL OTHER FINANCING SOURCES (USES)	4,543,932	(3,214,584)	(213,395)	213,395	0	(926,735)	402,613
NET CHANGE IN FUND BALANCES	6,176,458	578	(4,440,680)	8,136,918	78,128	(630,467)	9,320,935
FUND BALANCES - BEGINNING	4,333,331	0	7,379,658	4,292,004	51,331	8,110,169	24,166,493
FUND BALANCES - END OF YEAR	\$10,509,789	\$578	\$2,938,978	\$12,428,922	\$129,459	\$7,479,702	\$33,487,428

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, 2021

Net change in fund balances - total governmental funds	\$9,320,935
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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	\$12,232,652	
Less capital expenditures not capitalized in governmental funds	(10,803,228)	
Less current year depreciation	(2,921,606)	
		(1,492,182)

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		(19,362)
Change in pension liability		(1,090,662)
Other post employment benefits		(681,821)
Principal payments on long-term debt		(44,713)
Long-term accounts receivable		809,018
Internal service funds		1,148,119
Change in net position of governmental activities		\$7,949,332

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, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	
ASSETS						
Current assets:						
Cash & equivalents	\$0	\$1,482,755	\$0	\$530,344	\$1,292,375	\$3,305,474
Investments	0	0	0	0	0	0
Receivables (net)						
Accounts	980,392	2,607,404	0	182,341	14,826	3,784,963
Due from other governments and agencies	0	3,835,904	0	0	16,881	3,852,785
Due from other funds	16,138	0	0	700,000	553,208	1,269,346
Inventories at cost	0	487,579	0	0	0	487,579
Restricted assets						
Cash	15,572	1,787,239	0	0	0	1,802,811
Investments	0	0	0	0	0	0
Total current assets	1,012,102	10,200,881	0	1,412,685	1,877,290	14,502,958
Noncurrent assets:						
Capital assets:						
Land	0	2,791,492	0	246,911	0	3,038,403
Land improvement	201,059	162,495,612	0	1,766,105	0	164,462,776
Buildings and structures	1,172,902	99,508,325	4,394,543	0	0	105,075,770
Motor vehicles	0	0	0	0	0	0
Equipment	151,734	14,649,955	0	0	39,216	14,840,905
Intangibles	0	0	0	1,161,791	0	1,161,791
Construction in progress	0	1,308,801	0	0	0	1,308,801
Total capital assets	1,525,695	280,754,185	4,394,543	3,174,807	39,216	289,888,446
Less accumulated depreciation	(853,493)	(70,417,962)	(1,490,136)	(747,767)	(37,811)	(73,547,169)
Net capital assets	672,202	210,336,223	2,904,407	2,427,040	1,405	216,341,277
Total noncurrent assets	672,202	210,336,223	2,904,407	2,427,040	1,405	216,341,277
Total assets	\$1,684,304	\$220,537,104	\$2,904,407	\$3,839,725	\$1,878,695	\$230,844,235
LIABILITIES						
Current liabilities:						
Accounts payable	\$318,332	\$2,888,611	\$8,398	\$15,298	\$25,377	\$3,256,016
Accrued interest	0	48,953	11,748	0	0	60,701
Compensated absences (current portion)	69,242	169,380	0	28,202	10,810	277,634
Due to other funds	24,739	524,265	645,050	2,468	4,087	1,200,609
Due to other governments and agencies (current portion)	0	2,612,346	0	0	0	2,612,346
Capital lease payable (current portion)	0	0	0	0	0	0
Bonds payable (current portion)	0	0	233,000	0	0	233,000
Current liabilities (payable from restricted assets):						
Accrued revenue bond interest	0	58,719	0	0	0	58,719
Deposits	8,311	1,243,944	0	0	0	1,252,255
Current portion of revenue bonds	0	2,791,976	0	0	0	2,791,976
Total current liabilities	420,624	10,338,194	898,196	45,968	40,274	11,743,256
Noncurrent liabilities (payable from unrestricted assets):						
Compensated absences	103,612	127,883	0	15,801	42,937	290,233
Capital lease payable (net of current portion)	0	0	0	0	0	0
Bonds payable (net of current portion)	0	27,978,022	449,000	0	0	28,427,022
Advances from other funds	623,331	0	963,872	0	400,000	1,987,203
Due to other governments and agencies, (net of current portion)	0	35,610,288	0	0	0	35,610,288
Total noncurrent liabilities (payable from unrestricted assets)	726,943	63,716,193	1,412,872	15,801	442,937	66,314,746
Total liabilities	1,147,567	74,054,387	2,311,068	61,769	483,211	78,058,002
NET POSITION (DEFICIT)						
Net investment in capital assets	672,202	139,343,090	2,222,407	2,427,040	1,405	144,666,144
Restricted						
Restricted for workmen's compensation claims	0	0	0	0	0	0
Unrestricted	(135,465)	7,139,627	(1,629,068)	1,350,916	1,394,079	8,120,089
Total net position (deficit)	\$536,737	\$146,482,717	\$593,339	\$3,777,956	\$1,395,484	\$152,786,233
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(10,035,421)	
Net position of business-type activities					\$142,750,812	

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, 2021

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	
Operating revenues:							
Permits	\$0	\$0	\$0	\$0	\$1,574,445	\$1,574,445	\$0
Charges for services	6,164,411	21,345,982	469,157	1,841,312	298,894	30,119,756	13,282,363
Recycling revenue	34,890	0	0	0	0	34,890	0
Intergovernmental revenues	0	0	0	0	0	0	0
Miscellaneous revenues	868	287,930	0	0	14,850	303,648	181,077
TOTAL OPERATING REVENUES	6,200,169	21,633,912	469,157	1,841,312	1,888,189	32,032,739	13,463,440
Operating expenses:							
Personal services	2,794,739	5,783,725	0	882,295	848,029	10,308,788	916,379
Contractual services	1,601,319	2,385,710	160,361	353,866	159,611	4,660,867	3,985,119
Claims paid	0	0	0	0	0	0	6,553,068
Supplies	107,289	1,375,426	66	59,247	221,350	1,763,378	1,908,272
Travel and training	5,761	41,210	0	1,373	4,780	53,124	1,861
Other services and charges	1,485,016	2,895,472	3,723	296,035	244,290	4,924,536	417,851
Amortization expense	0	0	0	73,956	0	73,956	0
Depreciation expense	31,785	5,439,550	89,110	0	1,297	5,561,742	1,862,777
TOTAL OPERATING EXPENSES	6,025,909	17,921,093	253,260	1,666,772	1,479,357	27,346,391	15,645,327
OPERATING INCOME (LOSS)	174,260	3,712,819	215,897	174,540	408,832	4,686,348	(2,181,887)
Non-operating revenues (expenses):							
Interest income	0	30	0	273	553	856	0
Intergovernmental revenues	168,912	323,562	0	0	0	492,474	0
Gain (Loss) on disposal of assets	0	(1,737,899)	0	0	0	(1,737,899)	0
Interest expense and fiscal charges	0	(974,150)	(29,444)	0	0	(1,003,594)	(120,695)
TOTAL NON-OPERATING REVENUES (EXPENSES)	168,912	(2,388,457)	(29,444)	273	553	(2,248,163)	(120,695)
INCOME (LOSS) BEFORE CONTRIBUTIONS, TRANSFERS, AND SPECIAL ITEMS	343,172	1,324,362	186,453	174,813	409,385	2,438,185	(2,302,582)
Capital contribution revenue	0	7,581,897	0	0	0	7,581,897	0
Transfers in	373,989	120,963	0	0	285,687	780,639	2,789,649
Transfers out	(366,917)	(2,853,672)	(500,000)	(65,958)	(60,332)	(3,846,879)	0
	7,072	4,849,188	(500,000)	(65,958)	225,355	4,515,657	2,789,649
Change in Net Position	350,244	6,173,550	(313,547)	108,855	634,740	6,953,842	487,067
NET POSITION - BEGINNING (DEFICIT)	186,493	140,309,167	906,886	3,669,101	760,744		1,109,849
NET POSITION - ENDING (DEFICIT)	\$536,737	\$146,482,717	\$593,339	\$3,777,956	\$1,395,484		\$1,596,916
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(661,052)	
Change in net position of business-type activities						\$6,292,790	

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, 2021

	BUSINESS-TYPE ACTIVITIES						GOVERNMENTAL
	ENTERPRISE FUNDS						ACTIVITIES
	WATER/ SEWER	DEPARTMENT OF LABOR	OTHER				INTERNAL
	SANITATION	REVENUE	BUILDING	STORMWATER	FUNDS	TOTAL	SERVICE FUNDS
Cash flows from operating activities:							
Cash received from customers	\$5,980,420	\$21,305,415	\$469,157	\$1,847,298	\$1,863,000	\$31,465,290	\$13,460,013
Cash payments to suppliers for goods and services	(3,257,877)	(7,611,991)	297,300	(787,088)	(608,353)	(11,968,009)	(12,241,928)
Cash payments to employees for services	(2,881,900)	(5,954,308)	0	(909,100)	(841,541)	(10,586,849)	(949,173)
Other operating revenues	34,890	1,050	0	0	0	35,940	0
Miscellaneous income	868	286,880	0	0	14,850	302,598	0
New customer utility deposits	2,100	398,925	0	0	0	401,025	0
Refunded customer utility deposits	(812)	(257,698)	0	0	0	(258,510)	0
Net change in cash from operating activities	(122,311)	8,168,273	766,457	151,110	427,956	9,391,485	268,912
Cash flows from noncapital financing activities:							
Intergovernmental revenues	168,912	0	0	0	0	168,912	0
Transfers-in from other funds	373,989	7,702,860	0	0	285,687	8,362,536	2,789,649
Transfers-out to other funds	(366,917)	(2,853,672)	(500,000)	(65,958)	(60,333)	(3,846,880)	0
Net change in cash from noncapital financing activities	175,984	4,849,188	(500,000)	(65,958)	225,354	4,684,568	2,789,649
Cash flows from capital and related financing activities:							
Principal paid on Georgia Environmental Finance Authority Loan	0	(35,450,638)	0	0	0	(35,450,638)	0
Loan from Georgia Environmental Finance Authority	0	7,181,217	0	0	0	7,181,217	0
Acquisition and construction of capital assets	(52,529)	(12,850,848)	0	0	0	(12,903,377)	(2,728,309)
Principal paid on revenue bonds' maturities	0	(1,364,003)	0	0	0	(1,364,003)	0
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	(413,321)
Interest paid on GEFA loan and revenue bonds	0	(1,069,831)	0	0	0	(1,069,831)	0
Fiscal charges on revenue bonds	0	58,719	0	0	0	58,719	0
Interest paid on DOL intergovernmental note	0	0	(33,457)	0	0	(33,457)	0
Interest paid on GMA bond	0	0	0	0	0	0	(120,937)
W & S 2020 bond series 11/19/2020 issue synovus	0	32,134,000	0	0	0	32,134,000	0
Net change in cash from capital and related financing activities	(52,529)	(11,361,384)	(266,457)	0	0	(11,680,370)	(3,262,567)
Cash flows from investing activities:							
Sale of investment securities	0	103,458	0	409,118	0	512,576	0
Purchase of investment securities	0	0	0	0	620,007	620,007	4,458
Interest and dividends on investments	0	30	0	273	553	856	1
Net change in cash from investing activities	0	103,488	0	409,391	620,560	1,133,439	4,459
Net change in cash	1,144	1,759,565	0	494,543	1,273,870	3,529,122	(199,547)
Cash beginning of year	14,428	1,510,429	0	35,801	18,505	1,579,163	1,013,426
Cash at end of year	\$15,572	\$3,269,994	\$0	\$530,344	\$1,292,375	\$5,108,285	\$813,879
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CHANGE IN CASH FROM OPERATING ACTIVITIES							
Operating income (loss)	\$174,260	\$3,712,819	\$215,897	\$174,540	\$408,832	\$4,686,348	(\$2,181,887)
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	31,785	5,439,550	89,110	0	1,297	5,561,742	1,862,777
New customer utility deposit	2,100	398,925	0	0	0	401,025	0
Refunded customer utility deposit	(812)	(257,698)	0	0	0	(258,510)	0
Change in assets and liabilities:							
(Increase) decrease in accounts receivable	(213,323)	(68,227)	0	5,985	(10,339)	(285,904)	(3,428)
Decrease (increase) in due from other funds	0	489,239	0	0	52,123	541,362	(991,453)
Decrease (increase) in due from other governments and agencies	86,373	(3,835,904)	0	0	(13,347)	(3,762,878)	0
(Increase) decrease in inventory	(16,138)	14,467	0	0	0	(1,671)	(15,972)
(Decrease) increase in accounts payable	(68,309)	1,750,710	(1,456)	(107,280)	(19,120)	1,554,545	325,103
Increase (decrease) in compensated absences liability	7,014	127	0	1,441	4,423	13,005	(6,277)
(Decrease) increase in due to other funds	(125,261)	524,265	462,906	2,468	4,087	868,465	0
Increase in advances from other funds	0	0	0	0	0	0	1,280,048
Net change in cash from operating activities	(\$122,311)	\$8,168,273	\$766,457	\$151,110	\$427,956	\$9,391,485	\$268,911
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Contributed capital assets from SPLOST 2019	0	7,581,897	0	0	0	7,581,897	0
GEFA forgiveness	0	323,562	0	0	0	323,562	0

The accompanying notes are an integral part of these statements.

Fiduciary 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 NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	<u>Custodial Funds</u>
	<u>TOTAL</u>
ASSETS	
Cash and equivalents	\$126,332
Investments	7,406
Total assets	<u>\$133,738</u>
LIABILITIES	
Total liabilities	<u>0</u>
NET POSITION	
Restricted for other governments	133,738
Total net position	<u>\$133,738</u>

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

		<u>Custodial Funds</u>
		<u>TOTAL</u>
ADDITIONS		
Contributions		
Private contributions		\$1,501
Evidence confiscations		49,097
	TOTAL CONTRIBUTIONS	<u>50,598</u>
Investment earnings:		
Interest		5
	TOTAL INVESTMENT EARNINGS	<u>5</u>
	LESS INVESTMENT EXPENSE	<u>0</u>
	NET INVESTMENT EARNINGS	<u>5</u>
	TOTAL ADDITIONS	<u>50,603</u>
DEDUCTIONS		
Purchases of trees/materials		13,469
Evidence awarded for use/repaid to citizens		30,049
	TOTAL DEDUCTIONS	<u>43,518</u>
	NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	7,085
	NET POSITION - BEGINNING, AS RESTATED	<u>126,653</u>
	NET POSITION - ENDING	<u><u>\$133,738</u></u>

Notes to Financial Statements

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021**

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, 2021

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 and the fiduciary fund financial statements. 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.

Fund Financial Statements

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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.

Federal Covid Relief Fund – to account for federal covid relief funds.

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.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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.

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

position, and changes in financial position. The generally accepted accounting principles in these funds are those applicable to similar businesses in the private 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 SERVICES FUND

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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

FIDUCIARY FUNDS

Fiduciary Funds include the Custodial Funds. The Tree Commission Custodial Fund accounts for monies collected for the Tree Commission. The Evidence Custodial 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, 2021**

Accrual Basis of Accounting

The accrual basis of accounting is followed in all Proprietary Funds and the Custodial 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, 2021

Fund/Department	Expenditures/ Expenses on Budgetary Basis	Appropriations	Amount Exceeding
General Fund/Human Resources Dept	\$502,226	\$466,124	\$36,102
General Fund/Finance Dept	2,285,374	2,279,337	6,037
General Fund/Engineering Dept	3,708,343	3,636,151	72,192
General Fund/Fire Dept	9,897,459	9,632,702	264,757
General Fund/Other Protection Services	586,825	586,792	33
General Fund/Public Works	2,904,694	2,767,252	137,442
General Fund/Economic Development and Assistance	1,015,215	896,456	118,759
Accommodations Tax Fund	2,647,919	2,873,276	225,357
Airport Development Fund	2,587,675	2,579,584	8,091
TSPLOST 2018	802,685	0	802,685

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, 2021.

G. RECEIVABLES

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

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

1. Taxes Receivable which includes:
 - a. Taxes Receivable-Delinquent – represents the past years of uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The tax receivables have been reported net of these allowances.
 - b. Sales Taxes, Franchise Taxes, and Public Utilities Receivable – recorded as revenue when they become both measurable and available for collection within the current period paying cycle, which is 31 days past year end. The balance of what has been earned though not available is recorded as a deferred inflow of resources – unavailable revenue.
2. Accounts Receivable which includes:
 - a. Accounts Receivable – Sanitation and Water and Sewer service charges are recognized when earned, with an allowance for uncollectible accounts of 1% of the accounts receivable balance at June 30 after allowing for troubled customers at a graduated scale based on age. Services performed by various departments are recognized as revenue when they are measured and assured of collection within the current paying cycle of the City. That which is earned, but not collected within 31 days of year end, is recognized as a deferred revenue. In the Proprietary Funds, they are recognized as revenue when earned.
 - b. Returned Checks – the balance of checks written by the public that the banks have returned to the City over the past 12 months.
 - c. Accounts Receivable-Employees – the balance that City employees owe the City for travel advances, garnishments, etc.
 - d. Unbilled Services Receivable – within the City’s Enterprise Funds, an estimated amount has been recorded for services rendered but not yet billed as of June 30, 2021. 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 principal and interest on paving assessments are payable in semi-annual installments over a five year period.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

The principle is recognized when due. The balance due at June 30 that has not been collected within 31 days past year end is recorded as a deferred revenue. There is no allowance for uncollectibles as delinquent accounts are declared as a special assessment lien against the property per Section 7.2, paragraph I, of the City's Code. The entire outstanding balance is delinquent at June 30, 2021.

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, 2021, 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 2019 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, 2021**

L. PREPAID EXPENDITURES/EXPENSES

Payments made to various vendors for items or services for a future period beyond June 30, 2021 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, 2021**

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, 2021 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, 2021

Deferred outflows of resources represent 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	\$265,546	\$1,502	\$0	\$267,048
Paving	45,387	0	0	45,387
Assessments				
Miscellaneous	206,194	0	133,074	339,268
DOT	16,088	0	0	16,088
LAG	75,082	0	0	75,082
Grants	28,676	0	1,028,428	1,507,104
Total	<u>\$636,973</u>	<u>\$1,502</u>	<u>\$1,161,502</u>	<u>\$1,799,977</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, 2021**

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, 2021**

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 \$23,901,306 and the bank balance was \$18,382,328. In addition, the City also had \$6,200 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, \$297,856, was covered by federal depository insurance and \$17,349,090 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, 2021 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, 2021**

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.

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>
Certificate of Deposit	7,406
Total	<u><u>\$7,406</u></u>

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

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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:

	<u>Cash on Deposit</u>	<u>Investments</u>
Cash in Bank – Primary Government	\$23,895,106	\$0
Cash in State Pool Fund	11,165,901	0
Petty Cash and Change	6,200	0
Cash and Investments on Hand	35,067,207	0
Fiduciary Assets	126,332	7,406
	<u>\$35,193,539</u>	<u>\$7,406</u>
Non Restricted	\$33,398,134	\$0
Restricted	1,795,405	7,406
Balance per Financial Statement	<u>\$35,193,539</u>	<u>\$7,406</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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 2020 property taxes, levied September 15, 2020 on a 40% assessed valuation as of the lien date January 1, 2020, were due November 15, 2020. The levy for 2020 is as follows:

<u>Type of Levy</u>	<u>Rate per \$1,000 of Assessed Value</u>	<u>Legal Maximum</u>
General Operations	13.5347	
Less Sales Tax Rebate	5.5607	
Net for General Operations	<u>7.9740</u>	<u>10.00</u>
 Schools	 16.691	 20.0
Central Valdosta Development Authority	<u>5.0</u>	<u>15.0</u>

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, 2021 per the following table:

95% of the 2014 Levy
95% of the 2015 Levy
80% of the 2016 Levy
70% of the 2017 Levy
60% of the 2018 Levy
50% of the 2019 Levy
25% of the 2020 Levy

Taxes receivable at June 30, 2021 consist of the following:

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Property Taxes	General Fund	CVDA
2014	\$1,971	\$5
2015	6,507	232
2016	8,334	5
2017	13,696	5
2018	32,254	92
2019	90,626	289
2020	354,197	3,730
	<u>507,585</u>	<u>4,358</u>
Franchise Taxes	159,989	0
Total Taxes Receivable	<u>667,574</u>	<u>4,358</u>
Less Allowance for Uncollectible	<u>(156,017)</u>	<u>(866)</u>
	<u><u>\$511,557</u></u>	<u><u>\$3,492</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, 2021**

NOTE. 4 INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivables and payables including advances at June 30, 2021 are as follows:

Payables	General Fund	CVDA	Non Major Governmental Funds	Enterprise Funds	Internal Service Funds	Total
General Fund	\$0	\$19,626	\$100,000	\$1,269,346	\$2,440,048	\$3,829,020
SPLOST 13	37,579	0	0	0	0	37,579
SPLOST 19	63,455	0	0	0	0	63,455
CVDA	6,157	0	0	0	0	6,157
Sanitation	648,070	0	0	0	0	648,070
Water/Sewer	524,265	0	0	0	0	524,265
Department of Labor	1,608,922	0	0	0	0	1,608,922
Stormwater	2,468	0	0	0	0	2,468
Internal Service Funds	6,793,381	0	0	0	0	6,793,381
Non Major Governmental Funds	1,032,300	0	0	0	0	1,032,300
Non Major Enterprise Funds	404,087	0	0	0	0	404,087
Total	\$11,120,684	\$19,626	\$100,000	\$1,269,346	\$2,440,048	\$14,949,704

All interfund balances are due to routine interfund transactions that were not paid or received at June 30, 2021 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, 2021

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 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	924,702	6,321,090	0	0	1,936,623
Total non-depreciable assets	78,033,996	6,321,090	0	0	79,045,917
Depreciable assets					
Land improvements	13,785,090	0	26,615	0	13,758,475
Buildings	29,014,749	115,058	1,860	0	29,127,947
Equipment	7,521,826	415,857	437,887	0	7,499,796
Motor vehicles	21,969,158	2,603,762	635,360	0	23,937,560
Infrastructure	108,854,023	11,500	0	0	108,865,523
Total depreciable assets	181,144,846	3,146,177	1,101,722	0	183,189,301
Total at historical cost	259,178,842	9,467,267	1,101,722	0	262,235,218
Less accumulated depreciation for:					
Land improvements	7,697,434	410,344	26,233	0	8,081,545
Buildings	11,706,405	621,958	1,495	0	12,326,868
Equipment	6,015,863	486,755	437,887	0	6,064,731
Motor vehicles	13,732,103	1,716,926	635,360	0	14,813,669
Infrastructure	92,146,490	1,548,017	0	0	93,694,507
Total accumulated depreciation	131,298,295	4,784,000	1,100,975	0	134,981,320
Governmental activities capital assets, net	\$127,880,547	\$4,683,267	\$747	\$0	\$127,253,898
Business-type activities:					
Non-depreciable assets					
Land	\$3,038,403	\$0	\$0	\$0	\$3,038,403
Construction in progress	2,157,408	12,389,349	11,645,449	(2,054,007)	1,308,801
Total non-depreciable assets	5,195,811	12,389,349	11,645,449	(2,054,007)	4,347,204
Depreciable assets					
Land improvements	163,376,775	574,194	2,832,536	695,154	164,462,776
Buildings	105,878,389	33,982	836,601	0	105,075,770
Equipment	5,314,977	6,242,132	273,537	1,358,853	14,840,905
Intangibles	1,161,791	0	0	0	1,161,791
Total depreciable assets	275,731,932	6,850,308	3,942,674	2,054,007	285,541,242
Total at historical cost	280,927,743	19,239,657	15,588,123	0	289,888,446

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Less accumulated depreciation for:

Land improvements	\$42,727,544	\$3,246,285	\$1,395,564	\$0	\$0	\$44,578,265
Buildings	23,322,041	2,103,267	535,674	0	0	23,889,634
Equipment	4,666,143	247,512	273,537	0	0	4,640,118
Intangibles	400,518	38,634	0	0	0	439,152
Total accumulated depreciation	<u>70,116,246</u>	<u>5,635,698</u>	<u>2,204,775</u>	<u>0</u>	<u>0</u>	<u>73,547,169</u>
Business-type activities capital assets, net	<u>\$210,811,497</u>	<u>\$13,603,959</u>	<u>\$13,383,348</u>	<u>\$0</u>	<u>\$5,309,169</u>	<u>\$216,341,277</u>

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

Governmental Depreciation:

General Government	\$4,152,364
Finance	1,901
Engineering	14,450
Public Safety	601,185
Public Works	14,100
Total governmental depreciation	<u>4,784,000</u>

Business-type Depreciation:

Sanitation	31,785
Water & Sewer	5,439,550
Inspections	1,297
Department of Labor	89,110
Storm Water	73,956
Total business-type depreciation/	<u>5,635,698</u>
Total depreciation expense	<u>\$10,419,698</u>

Internal Service Funds predominantly serve governmental funds. Accordingly, \$27,574,334 in capital assets, \$17,743,787 in accumulated depreciation, and \$1,862,777 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, 2021**

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, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	348
Inactive employees entitled to but not yet receiving benefits	98
Active employees	527
Elected Officials	9
	<hr/>
Total covered employees	<u><u>982</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, 2021, the City reported a liability of \$52,046,141 as its net pension liability. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. 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, 2021.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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, 2021:

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, 2019*	\$ 99,955,597	\$ 46,922,132	\$ 53,033,465
Changes for the year:			
Service cost	1,387,096	-	1,387,096
Interest	7,219,966	-	7,219,966
Differences between expected and actual experience	306,937	-	306,937
Contributions - employer	-	5,097,234	(5,097,234)
Contributions - employee	-	580,592	(580,592)
Net investment income	-	4,343,717	(4,343,717)
Benefit payments, including refunds of employee contributions	(6,889,700)	(6,889,700)	-
Administrative expense	-	(120,220)	120,220
Other	-	-	-
Net changes	2,024,299	3,011,623	(987,324)
Balances at September 30, 2020**	<u>\$ 101,979,896</u>	<u>\$ 49,933,755</u>	<u>\$ 52,046,141</u>

*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.

**Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2021 are used to measure TPL as of September 30, 2020. The balances as of September 30, 2020 constitute measurements of the NPL for the fiscal year ending June 30, 2021.

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, 2021

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

For the year ended June 30, 2021, the City recognized pension expense of \$6,461,170. 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, 2021, 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	\$ 1,902,124	\$ (226,694)
Changes of assumptions	4,788,481	-
Net difference between projected and actual earnings on pension plan investments	-	(504,007)
City contributions subsequent to the measurement date	<u>4,056,312</u>	<u>-</u>
Total	<u>\$ 10,746,917</u>	<u>\$ (730,701)</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.

\$4,056,312 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, 2022. 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
2022	\$ 1,844,728
2023	1,961,359
2024	2,278,896
2025	(125,079)
2026	-
Thereafter	<u>-</u>
Total	<u>\$ 5,959,904</u>

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2021 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	Projected Unit Credit
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	2.25%
Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% 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>	Sex-distinct Pri-2012 head count weighted healthy retiree mortality table with rates multiplied by 1.25
<i>Disabled</i>	Sex-distinct Pri-2012 head count weighted disabled retiree mortality table with rates multiplied by 1.25
<i>Plan termination basis (all lives)</i>	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019.

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 – EMPLOYEE RETIREMENT PLAN, CONTINUED

The 7.375% 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, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.05%
Real estate	10%	4.50%
Global Fixed Income	5%	1.25%
Domestic Fixed Income	20%	1.15%
Cash	0%	
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.375%, 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>\$ 63,698,052</u>	<u>\$ 52,046,141</u>	<u>\$ 42,274,622</u>

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021, 169 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, 2021

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 \$757,767 for retirees' health insurance for 169 participants. In addition, 33 participants spouses were covered.

Employees Covered by Benefit Terms –

Retired members currently receiving benefits	169
Vested terminated members entitled to but not yet receiving benefits	-
Active members	<u>566</u>
Total covered employees	<u><u>735</u></u>

Actuarial Assumptions –

Actuarial Assumptions:

Inflation	2.25%
Salary Increases	3.00% to 8.50%, including inflation
Discount Rate	2.21%
Healthcare cost trend rates	Non-Medicare Advantage Health: 7.00% trended down to 4.50% by 2030 Medicare Advantage: 0.00% for the first two years, then 4.50% Dental: 3.00%
Health Mortality Rates	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with adjustments and mortality improvement from 2012

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2015 to June 30, 2019.

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Changes in Total OPEB Liability –

	Total OPEB Liability (a) - (b)
Balances at June 30, 2020*	\$ 43,330,631
Changes for the year:	
Service cost	1,099,789
Interest	1,540,137
Differences between expected and actual experience	(3,498,801)
Changes of Assumptions	(7,114,970)
Contributions - employer	(1,720,878)
Change of benefit terms	180,093
Benefit payments, including refunds of employee contributions	860,439
Administrative expense	-
Other	-
Net changes	(8,654,191)
Balances at June 30, 2021	\$ <u>34,676,440</u>

Discount Rate -

Discount rate -Since the City funds this Plan on a total OPEB, 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 2.21%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2020.

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The following presents the City's total OPEB liability calculated using the current discount rate, as well as what the total OPEB 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 (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Net OPEB Liability (Asset)	\$ 41,132,386	\$ 34,676,440	\$ 29,608,301

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:

	1% Decrease	Current Healthcare Cost Trend Current Discount Rate	1% Increase
Net OPEB Liability (Asset)	\$ 29,197,514	\$ 34,676,440	\$ 41,810,973

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

For the year ended June 30, 2021, the City recognized an actuarial expense against its total OPEB liability of \$1,439,588. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 9,038,325	\$ (8,796,488)
Net difference between projected and actual experience in the Total OPEB Liability	-	-
		(4,736,281)
City contributions subsequent to the measurement date	<u>757,767</u>	<u>-</u>
Total	<u>\$ 9,796,092</u>	<u>\$ (13,532,769)</u>

\$757,767 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 total OPEB liability in the year ended June 30, 2022. 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
2022	(1,380,431)
2023	(1,380,431)
2024	(671,241)
2025	226,956
2026	226,956
Thereafter	<u>(1,516,253)</u>
Total	<u>\$ (4,494,444)</u>

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

CITY OF VALDOSTA, GEORGIA
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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.

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Governmental Funds					
Other Post Employment Benefits	\$43,330,631	\$2,820,019	\$11,474,210	\$34,676,440	\$0
Total OPEB	<u>\$43,330,631</u>	<u>\$2,820,019</u>	<u>\$11,474,210</u>	<u>\$34,676,440</u>	<u>\$0</u>

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, 2021, the limit for the City was \$150,103,363

Long term bonded debt of the City is as follows:

<u>Enterprise Funds</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
4.19% Department of Labor Building.					
Original issue amount \$4,410,000.	\$915,000	\$0	\$233,000	\$682,000	\$233,000
Total Notes	<u>\$915,000</u>	<u>\$0</u>	<u>\$233,000</u>	<u>\$682,000</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, 2021, including interest of \$42,507 on the Bond Series 2003 is as follows:

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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NOTES TO THE FINANCIAL STATEMENTS
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2022	233,000	23,694	256,694
2023	233,000	13,932	246,932
2024	216,000	4,881	220,881
Total	<u><u>\$682,000</u></u>	<u><u>\$42,507</u></u>	<u><u>\$724,507</u></u>

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Enterprise Funds	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Water & Sewerage Revenue Refunding Bonds, Series 2020					
Original issue amount \$32,134,000.	\$0	\$32,134,000	\$1,364,003	\$30,769,997	\$2,791,976
Total Notes	\$0	\$32,134,000	\$1,364,003	\$30,769,997	\$2,791,976

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

The annual requirement to amortize this bond series as of June 30, 2021, including interest of \$3,897,996 on the Bonds, Series 2020 is as follows:

Year Ended June 30	Principal	Interest	Total
2022	\$2,791,976	\$675,329	\$3,467,305
2023	2,856,590	610,714	3,467,304
2024	2,857,366	545,039	3,402,405
2025	2,653,818	481,993	3,135,811
2026	2,715,235	420,576	3,135,811
2027-2031	14,548,346	1,130,709	15,679,055
2032-2036	2,346,666	33,636	2,380,302
Total	\$30,769,997	\$3,897,996	\$34,667,993

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

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Enterprise Funds					
Accrued vacation	\$554,862	\$567,867	\$554,862	\$567,867	\$277,634
Internal Service Funds					
Accrued vacation	56,316	50,039	56,316	50,039	25,722
Governmental Funds					
Accrued vacation	1,766,649	1,786,011	1,766,649	1,786,011	1,095,538
Total OPEB Liability	43,330,631	2,820,019	11,474,210	34,676,440	0
Total	\$45,708,458	\$5,231,879	\$13,852,037	\$37,088,300	\$1,398,894

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

The City of Valdosta has entered into a contract for three loans with Georgia Environmental Facilities Authority for an aggregate loan balance of \$53,828,326. Payments for these loans are repaid monthly. In addition, the City has entered into one additional contract to finance water and sewer projects. As of June 30, 2021, \$7,181,217 in draws had been made on this loan in progress.

Loan Name	Loan Amount	Payment Period
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
DW2020004	Pending	

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, 2021. GEFA retitles notes as modifications are made. During FY2021 six GEFA loans were paid in full.

CITY OF VALDOSTA, GEORGIA
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Georgia Environmental Facilities Loans

Loan #	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
DW97036P	\$1,043,471	\$0	\$1,043,471	\$0	\$0
CWSRF 08003					
ARRA	3,850,579	0	3,850,579	0	0
CWSRF 08003					
PHI	7,835,735	0	7,835,735	0	0
CWSRF 08003					
ARRA PHII	756,994	0	756,994	0	0
CWSRF 08003					
PHII	8,613,295	0	8,613,295	0	0
2006-L53WJ	9,797,971	0	9,797,971	0	0
CW13-006	19,951,803	0	3,224,488	16,727,315	1,944,232
2013-L31WJ	9,564,679	0	218,711	9,345,968	445,368
GF2017012	5,401,091	0	109,395	5,291,696	222,746
DW2020004	0	7,181,217	323,562	6,857,655	0
Totals	\$66,815,618	\$7,181,217	\$35,774,201	\$38,222,634	\$2,612,346

The requirements to amortize the Georgia Environmental Facilities Loans debt outstanding with the exception of the pending notes as of June 30, 2021 is as follows:

Fiscal Year Ending June 30	Loan # CW13-006		Loan # 2013-L31WJ		Loan # GF2017012	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$1,944,232	\$221,946	\$445,368	\$219,425	\$222,746	\$124,042
2023	1,971,836	194,342	456,175	208,618	228,128	118,660
2024	1,999,619	166,559	467,244	197,549	233,641	113,147
2025	2,027,795	138,384	478,584	186,209	239,286	107,502
2026	2,056,367	109,812	490,196	174,597	245,068	101,720
2027-2031	6,727,466	154,660	2,635,281	688,684	1,317,082	416,858
2032-2036	0	0	2,970,912	353,053	1,484,086	249,854
2037-2040	0	0	1,402,208	38,178	1,321,659	65,496
Totals	\$16,727,315	\$985,703	\$9,345,968	\$2,066,313	\$5,291,696	\$1,297,279

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Fiscal Year Ending June 30	Total All Loans	
	Principal	Interest
2022	\$2,612,346	\$565,413
2023	2,656,139	521,620
2024	2,700,504	477,255
2025	2,745,665	432,095
2026	2,791,631	386,129
2027-2031	10,679,829	1,260,202
2032-2036	4,454,998	602,907
2037-2040	2,723,867	103,674
Totals	\$31,364,979	\$4,349,295

The present interest rates range from 1.4% to 2.4%. This debt has been issued to improve and maintain the City's water system.

The City of Valdosta has a note to GEFA in the draw down phase so long term payments are not scheduled.

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, 2021, is as follows:

Year Ending June 30	Principal	Interest	Total
2022	36,012	1,220	37,232
2023	5,518	21	5,539
Total	\$41,530	\$1,241	\$42,771

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Governmental Funds	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Dell Computer Lease					
Original Issue Amount \$110,770	\$76,484	\$0	\$34,954	\$41,530	\$36,012
	<u>\$76,484</u>	<u>\$0</u>	<u>\$34,954</u>	<u>\$41,530</u>	<u>\$36,012</u>

Police Department Capital Lease

The City of Valdosta entered into a capital lease agreement on April 11, 2021, with Dell for computer equipment for the Police Department. The total lease payments are \$126,022 with annual interest imputed at 2.86%, payable in three annual payments of \$40,013 and one final payment of \$5,983.

The annual requirement to amortize the Dell Capital Lease Agreement outstanding balance as of June 30, 2021, is as follows:

Year Ending June 30	Principal	Interest	Total
2022	36,094	3,919	40,013
2023	37,870	2,143	40,013
2024	5,703	281	5,984
Total	<u>\$79,667</u>	<u>\$6,343</u>	<u>\$86,010</u>

Governmental Funds	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Dell Computer Lease					
Original Issue Amount \$119,680	\$0	\$119,680	\$40,013	\$79,667	\$36,094
	<u>\$0</u>	<u>\$119,680</u>	<u>\$40,013</u>	<u>\$79,667</u>	<u>\$36,094</u>

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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, 2021, is as follows:

Year Ended June 30	Principal	Interest	Total
2022	\$81,392	\$5,028	\$86,420
2023	83,034	3,386	86,420
2024	84,710	1,710	86,420
Total	<u>\$249,136</u>	<u>\$10,124</u>	<u>\$259,260</u>

Governmental Funds	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Body Cameras					
Original Issue Amount \$422,219	\$249,136	\$0	\$0	\$249,136	\$81,392
	<u>\$249,136</u>	<u>\$0</u>	<u>\$0</u>	<u>\$249,136</u>	<u>\$81,392</u>

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.

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The annual requirement to amortize the GMA Lease Agreement outstanding balance as of June 30, 2021, is as follows:

<u>Enterprise Funds</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Four Sutphen Firetrucks.					
Original issue amount \$1,932,479	<u>\$1,216,010</u>	<u>\$0</u>	<u>\$189,271</u>	<u>\$1,026,739</u>	<u>\$194,438</u>
Total Notes	<u><u>\$1,216,010</u></u>	<u><u>\$0</u></u>	<u><u>\$189,271</u></u>	<u><u>\$1,026,379</u></u>	<u><u>\$194,438</u></u>

<u>Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	<u>216,555</u>	<u>5,913</u>	<u>222,468</u>
Total	<u><u>\$1,026,739</u></u>	<u><u>\$85,601</u></u>	<u><u>\$1,112,340</u></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, 2021, is as follows:

<u>Enterprise Funds</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Two Sutphen Firetrucks.					
Original issue amount \$2,561,946	<u>\$2,345,973</u>	<u>\$0</u>	<u>\$224,050</u>	<u>\$2,121,923</u>	<u>\$232,430</u>
Total Notes	<u><u>\$2,345,973</u></u>	<u><u>\$0</u></u>	<u><u>\$224,050</u></u>	<u><u>\$2,121,923</u></u>	<u><u>\$232,430</u></u>

CITY OF VALDOSTA, GEORGIA
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Year Ended			
June 30	Principal	Interest	Total
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	269,201	42,589	311,790
2027-2029	869,532	65,838	935,370
Total	<u>\$2,121,923</u>	<u>\$372,397</u>	<u>\$2,494,320</u>

Lease Amortization Expense

The total accumulated amortization expense for governmental leases was \$253,331 and business type leases was \$1,472,006 as of June 30, 2021. The total current amortization expense for governmental leases was \$29,309 and business type leases was \$497,135 for fiscal year 2021. 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	Federal Covid Relief	Sales Tax 2013	Sales Tax 2019	CVDA	Non-Major Governmental Funds	Total
Nonspendable. The following fund balances are nonspendable:							
Long term receivables	\$6,080,536	\$0	\$0	\$0	\$0	\$0	\$4,440,823
Inventories	0	0	0	213,395	0	0	213,395
Required to be maintained in tact	0	0	0	0	0	1,794,376	1,794,376
	<u>6,080,536</u>	<u>0</u>	<u>0</u>	<u>213,395</u>	<u>0</u>	<u>1,794,376</u>	<u>6,235,199</u>
Restricted. The following fund balances are restricted for:							
Public safety	125,469	0	0	0	0	67,151	192,620
Land Bank Authority	75,082	0	0	0	0	0	75,082
Community development	0	0	0	0	129,459	0	129,459
NPDES permitting	62,909	0	0	0	0	0	62,909
Redevelopment	0	0	0	0	0	2,215,864	2,215,864
Capital outlay	0	578	542,414	2,729,854	0	1,203,297	4,476,143
	<u>263,460</u>	<u>578</u>	<u>542,414</u>	<u>2,729,854</u>	<u>129,459</u>	<u>3,486,312</u>	<u>7,152,077</u>
Committed. The following fund balances are committed:							
Committed for urban forestry	10,767	0	0	0	0	0	10,767
	<u>10,767</u>	<u>0</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	1,564,784	1,564,784
Capital Improvement	1,285,958	0	2,396,564	9,485,673	0	2,164,531	15,332,726
	<u>1,285,958</u>	<u>0</u>	<u>2,396,564</u>	<u>9,485,673</u>	<u>0</u>	<u>3,729,315</u>	<u>16,897,510</u>
Unassigned. The following balances are unassigned:							
	2,869,068	0	0	0	0	(1,530,301)	3,175,384
	<u>2,869,068</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,530,301)</u>	<u>3,175,384</u>
Total Fund Balance	<u>\$10,509,789</u>	<u>\$578</u>	<u>\$2,938,978</u>	<u>\$12,428,922</u>	<u>\$129,459</u>	<u>\$7,479,702</u>	<u>\$33,487,428</u>

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021, against the self-insurance fund. This incurred but not reported (IBNR) liability is estimated to be \$1,200,000. 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
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Transfers between fund types during the year ended June 30, 2021, were:

	Transfers In	Transfers Out
General Fund	\$6,385,887	\$1,967,977
Federal Covid Relief Fund	0	3,214,584
SPLOST VII	0	213,395
SPLOST VIII	213,395	0
Sanitation Fund	373,989	366,917
Water and Sewer Fund	120,963	2,853,672
Storm Water Fund	0	65,958
Other Governmental Funds	0	926,735
Department of Labor Fund	0	500,000
Other Enterprise Funds	285,687	60,332
Internal Service Funds	2,789,649	0
	<u>\$10,169,570</u>	<u>\$10,169,570</u>

General Fund transferred \$1,967,977 to Group Insurance. Sanitation transferred \$220,418 to Group Insurance. Water and Sewer transferred \$363,077 to Group Insurance. Storm Water transferred \$65,958 to Group Insurance. Accommodations Tax transferred \$275,000 to the Auditorium Fund. Inspection transferred \$43,210 to Group Insurance. The Auditorium Fund transferred \$17,121 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, 2021**

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, 2021, the City paid \$75,805 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, 2021, 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 BAS, Inc., an Administrative Service Agent, acting as claims paying agent. The City of Valdosta and employees' contributions cover the cost of the plan. The City's contributions and any employee pretax contributions withheld by way of payroll deduction are held by the City and used to pay the plan's benefits. Any after-tax employee contributions may be held in trust by the trustee. The

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

amount of all such contributions are actuarially determined where necessary. As previously stated in Note 11, there is a liability of \$1,200,000 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, 2020	\$1,093,180	\$5,314,399	\$(5,250,913)	\$1,156,666
June 30, 2021	1,156,666	5,657,558	(5,727,461)	1,086,763

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:

2021	\$0
2020	0
2019	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 \$1,876,233. 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 \$2,904,407. Depreciation on the building amounts to \$89,110 annually.

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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 \$2,800,031, net of vendor's compensation of \$89,702, in tax receipts and was allocated as follows: \$1,257,045, or 40% of the first 5% and 50% of the remaining 2%, to the Valdosta/Lowndes County Tourism Authority, \$200,000 to the Valdosta/Lowndes Conference Center, \$411,530 to the Airport Authority, \$25,000 to the Public Art Society, \$25,000 to the Historical Society, and \$190,000 to the Turner Arts Center. The remainder of \$691,456 was retained by the City and will be spent in accordance with legal provisions.

NOTE 17. ACCOUNTING CHANGES

FUNDS OPENED

The Federal COVID Relief Fund was opened effective fiscal year 2021.

The Transit Grant Fund was opened effective fiscal year 2021.

FUNDS CLOSED

The GA DCA CHIP 06M-X-092-2-2951 Grant Fund was closed effective July 1, 2020.

NOTE 18. CONSTRUCTION COMMITMENTS

The City has active construction projects as of June 30, 2021. 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, 2021, 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 2021, the authority abated taxes to four businesses within the City. The

CITY OF VALDOSTA, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Authority entered into these agreements to encourage new business as well as expansion to existing businesses. The total taxes abated for the year were \$14,625. Information relevant to disclosure of these abatements of the fiscal year ended June 30, 2021 is:

Type of Business	Property Taxes Abated during the Fiscal Year
Chemical Producing Company	3,483
Battery Manufacturer	3,383
Packaging Company	7,759
	\$14,625

NOTE 20. CHANGE IN ACCOUNTING PRINCIPLE

In conjunction with the implementation of GASB Statement No. 84, the City is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the City to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the following restatement was required to the beginning net position of the Fiduciary Activities to properly report the custodial funds.

		Custodial Funds
Net Position, as previously reported	\$	-
Adjustment needed to record the beginning net position of the agency funds now reported as custodial funds in accordance with		
GASB Statement No. 84		126,653
Net position, as restated	\$	126,653

Budgetary Comparison Schedules

CITY OF VALDOSTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Taxes	\$33,580,333	\$33,580,333	\$35,845,215	\$2,264,882
Licenses and permits	525,000	525,000	553,358	28,358
Charges for services	117,350	117,350	361,863	244,513
Fines and forfeitures	972,000	972,000	832,423	(139,577)
Interest income	50,000	50,000	1,208	(48,792)
Contributions and donations	30,000	30,000	0	(30,000)
Miscellaneous	321,600	404,100	743,098	338,998
Intergovernmental	1,526,918	1,630,525	4,307,367	2,676,842
Capital leases	0	0	126,022	126,022
Transfer in	4,643,829	4,643,829	6,385,887	1,742,058
TOTAL REVENUES	41,767,030	41,953,137	49,156,441	7,203,304
Expenditures:				
Current:				
General government	9,523,522	9,622,455	9,372,407	250,048
Public safety	27,396,431	27,495,399	27,771,821	(276,422)
Public works	2,765,252	2,767,252	2,904,694	(137,442)
Economic development and assistance	894,989	896,456	1,015,215	(118,759)
Debt service principal	237,437	245,061	76,024	169,037
Debt service interest	0	0	1,220	(1,220)
Transfer out	1,013,264	1,013,264	1,967,977	(954,713)
TOTAL EXPENDITURES	41,830,895	42,039,887	43,109,358	(1,069,471)
REVENUES OVER (UNDER) EXPENDITURES	(63,865)	(86,750)	6,047,083	6,133,833
Fund balance - beginning of year budgetary basis	2,194,680	2,194,680	2,194,680	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$2,130,815	\$2,107,930	\$8,241,763	\$6,133,833

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.

\$49,156,441

Differences - budget to GAAP:

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

(6,385,887)

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

\$42,644,532

Uses/outflows of resources

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

\$43,109,358

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.

(129,375)

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

(1,967,977)

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

\$41,012,006

CITY OF VALDOSTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FEDERAL COVID RELIEF
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$3,214,585	\$3,214,584	(\$1)
Interest	0	0	578	578
TOTAL REVENUES	<u>0</u>	<u>3,214,585</u>	<u>3,215,162</u>	<u>577</u>
Expenditures:				
Current:				
Transfers out	0	3,214,585	3,214,584	1
TOTAL EXPENDITURES	<u>0</u>	<u>3,214,585</u>	<u>3,214,584</u>	<u>0</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	<u>578</u>	<u>578</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>\$578</u>	<u>\$578</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.

\$3,215,162

Differences - budget to GAAP:

None

0

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

\$3,215,162

Uses/outflows of resources

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

\$3,214,584

Differences - budget to GAAP:

None

0

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

\$3,214,584

**CITY OF VALDOSTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
CENTRAL VALDOSTA DEVELOPMENT AUTHORITY
FOR YEAR ENDED JUNE 30, 2021**

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Taxes		\$92,000	\$92,000	\$91,319	(\$681)
Interest income		0	0	137	137
Contributions		9,000	9,000	58,845	49,845
Miscellaneous		1,000	1,000	3,017	2,017
Intergovernmental		0	0	10,000	10,000
	TOTAL REVENUES	102,000	102,000	163,318	61,318
Expenditures:					
General Government		102,000	102,000	85,190	16,810
	TOTAL EXPENDITURES	102,000	102,000	85,190	16,810
	REVENUES OVER (UNDER) EXPENDITURES	0	0	78,128	78,128
Fund Balance - beginning of year - budgetary basis		51,331	51,331	51,331	0
FUND BALANCE - END OF YEAR		\$51,331	\$51,331	\$129,459	\$78,128

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.

\$163,318

Differences - budget to GAAP:

None

0

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

\$163,318

Uses/outflows of resources

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

\$85,190

Differences - budget to GAAP:

None

0

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

\$85,190

**CITY OF VALDOSTA, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

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:									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Total pension liability</u>										
Service cost	\$ 1,387,096	\$ 1,413,080	\$ 1,311,813	\$ 1,086,275	\$ 1,128,876	\$ 1,186,364	\$ 1,168,292			
Interest	7,219,966	6,515,504	6,460,190	6,282,650	6,096,193	5,796,872	5,621,355			
Differences between expected and actual experience	306,937	2,547,179	(566,737)	641,340	614,516	1,329,502	414,792			
Changes of assumptions	0	7,456,479	0	1,572,966	0	(4,587,307)	5,432,537			
Changes of benefit terms	0	0	0	0	0	0	0			(info pri to impl of GASB 68 is not req)
Benefit payments, including refunds of employee contributions	(6,889,700)	(6,873,906)	(6,264,126)	(5,387,133)	(5,480,240)	(5,005,586)	(4,979,503)			
Net change in total pension liability	2,024,299	11,058,336	941,140	4,196,098	2,359,345	(1,280,155)	7,657,473			
Total pension liability - beginning	99,955,597	88,897,261	87,956,121	83,760,023	81,400,678	82,680,833	75,023,360			
Total pension liability - ending (a)	\$ 101,979,896	\$ 99,955,597	\$ 88,897,261	\$ 87,956,121	\$ 83,760,023	\$ 81,400,678	\$ 82,680,833			
<u>Plan fiduciary net position</u>										
Contributions - employer	\$ 5,097,234	\$ 5,512,755	\$ 4,278,310	\$ 3,981,181	\$ 4,474,678	\$ 3,146,917	\$ 3,402,750			
Contributions - employee	580,592	558,848	556,129	490,871	366,280	355,472	333,321			
Net investment income	4,343,717	1,430,524	4,242,588	5,779,324	3,952,625	471,566	3,877,248			
Benefit payments, including refunds of employee contributions	(6,889,700)	(6,873,906)	(6,264,126)	(5,387,133)	(5,480,240)	(5,005,586)	(4,979,503)			(info pri to impl of GASB 68 is not req)
Administrative expense	(120,220)	(127,501)	(122,993)	(131,920)	(75,213)	(83,287)	(67,292)			
Other	0	0	0	0	0	0	0			
Net change in fiduciary net position	3,011,623	500,720	2,689,908	4,732,323	3,238,130	(1,114,918)	2,566,524			
Plan fiduciary net position - beginning	46,922,132	46,421,412	43,731,504	38,999,181	35,761,051	36,875,969	34,309,445			
Plan fiduciary net position - ending (b)	\$ 49,933,755	\$ 46,922,132	\$ 46,421,412	\$ 43,731,504	\$ 38,999,181	\$ 35,761,051	\$ 36,875,969			
Net pension liability - ending (a)-(b)	\$ 52,046,141	\$ 53,033,465	\$ 42,475,849	\$ 44,224,617	\$ 44,760,842	\$ 45,639,627	\$ 45,804,864			
Plan's fiduciary net position as a percentage of the total pension liability	48.96%	46.94%	52.22%	49.72%	46.56%	43.93%	44.60%			(info pri to impl of GASB 68 is not req)
Covered payroll	\$ 23,604,882	\$ 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	220.49%	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:									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Required Employer Contribution	4,977,629	5,444,446	5,078,703	4,183,365	3,904,094	3,600,000	3,516,500			
Contributions recognized by the pension plan	4,977,629	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	(info pri to impl of GASB 68 is not req)		
Covered payroll	23,604,882	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	21.09%	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:									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u><i>Total OPEB liability</i></u>										
Service cost	\$1,099,789	\$598,329	\$1,288,098	\$1,524,705						
Interest	1,540,137	1,176,172	1,295,555	1,111,230						
Differences between expected and actual experience	(3,498,801)	(451,195)	(2,537,347)	(439,063)						
Changes of assumptions	(7,114,970)	12,653,653	(2,851,834)	(3,816,076)						
Changes of benefit terms	180,093	0	(1,303,614)	0	(Historical information prior to implementation of GASB 74 & 75 is not required)					
Benefit payments, including refunds of employee contributions	(860,439)	(880,075)	(1,115,378)	(776,672)						
Net change in total OPEB liability	(8,654,191)	13,096,884	(5,224,520)	(2,395,876)						
Total OPEB liability - beginning	43,330,631	30,233,747	35,458,267	37,854,143						
Total OPEB liability - ending (a)	<u>\$34,676,440</u>	<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	\$860,439	\$880,075	\$1,115,378	\$776,672						
Contributions - employee	0	0	0	0						
Net investment income	0	0	0	0						
Benefit payments, including refunds of employee contributions	(860,439)	(880,075)	(1,115,378)	(776,672)	(Historical information prior to implementation of GASB 74 & 75 is not required)					
Administrative expense	0	0	0	0						
Other	0	0	0	0						
Net change in fiduciary net position	0	0	0	0						
Plan fiduciary net position - beginning	0	0	0	0						
Plan fiduciary net position - ending (b)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>						
Net pension OPEB - ending (a)-(b)	<u>\$34,676,440</u>	<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%	0.00%	(Historical information prior to implementation of GASB 74 & 75 is not required)					
Covered payroll	\$23,627,368	\$23,419,149	\$21,525,912	\$20,841,771						
Net OPEB liability as a percentage of covered payroll	146.76%	185.02%	140.45%	170.13%						

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

	Year Ended June 30:									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	2,539,377	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
Contributions in relation to the actuarially determined contribution	860,439	880,075	880,075	1,115,378	776,672	990,141	1,220,203	1,273,383	421,097	505,671
Contribution deficiency (excess)	1,678,938	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
Covered payroll	23,627,368	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
Contributions as a percentage of covered payroll	3.64%	3.71%	3.76%	5.18%	3.61%	4.60%	6.37%	6.65%	2.28%	2.73%

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 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.

Transit Grant Fund - to account for grant funds related to the city's transit system.

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.

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

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

Permanent Fund

Sunset Hill Trust Fund 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, 2021

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
ASSETS				
Cash and equivalents	\$63,440	\$3,711	\$15,310	\$17,709
Receivables (net)				
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>\$63,440</u>	<u>\$3,711</u>	<u>\$15,310</u>	<u>\$62,784</u>
LIABILITIES				
Liabilities:				
Vouchers and accounts payable	0	0	0	0
Due to:				
Other funds	0	0	15,310	0
Advances from other funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities	<u>0</u>	<u>0</u>	<u>15,310</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	63,440	3,711	0	62,784
Assigned	0	0	0	0
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total fund balances (deficits)	<u>63,440</u>	<u>3,711</u>	<u>0</u>	<u>62,784</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$63,440</u>	<u>\$3,711</u>	<u>\$15,310</u>	<u>\$62,784</u>

SPECIAL REVENUE FUNDS

GA DCA CHIP 02M-X-092-2-2695	HUD FEDERAL GRANT	GA DCA CHIP 07M-X-092-2-2961	GA DCA CHIP 07MR-X-092-2-2979	GA DCA CHIP 2016-116
\$0	\$180,590	\$0	\$0	\$1,934
0	3,751	0	0	0
0	0	0	0	0
1,200	1,193,617	12,600	6,000	210,304
0	0	0	0	0
0	723,674	0	0	0
<u>\$1,200</u>	<u>\$2,101,632</u>	<u>\$12,600</u>	<u>\$6,000</u>	<u>\$212,238</u>
0	28,252	0	0	0
0	842,404	0	0	0
0	30,000	0	0	0
<u>0</u>	<u>900,656</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	613,331	0	0	0
0	0	0	0	0
1,200	1,921,042	12,600	6,000	212,238
0	0	0	0	0
0	(1,333,397)	0	0	0
<u>1,200</u>	<u>587,645</u>	<u>12,600</u>	<u>6,000</u>	<u>212,238</u>
<u>\$1,200</u>	<u>\$2,101,632</u>	<u>\$12,600</u>	<u>\$6,000</u>	<u>\$212,238</u>

(Continued)

**CAPITAL
PROJECTS
FUND**

TRANSIT GRANT FUND	ACCOMMODATIONS TAX	AIRPORT DEVELOPMENT	ROAD IMPROVEMENT FUND	GENERAL CAPITAL PROJECTS	TSPLOST 2018
\$0	\$1,677,800	\$572,436	\$1,203,297	\$0	\$1,657,204
0	361,726	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
196,904	0	291,680	0	0	252,147
<u>\$196,904</u>	<u>\$2,039,526</u>	<u>\$864,116</u>	<u>\$1,203,297</u>	<u>\$0</u>	<u>\$1,909,351</u>
109,541	284,445	390,743	0	0	0
87,363	57,223	0	0	0	0
0	0	0	0	0	0
<u>196,904</u>	<u>341,668</u>	<u>390,743</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>196,904</u>	<u>133,074</u>	<u>218,193</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	1,203,297	0	0
0	1,564,784	255,180	0	0	1,909,351
(196,904)	0	0	0	0	0
<u>(196,904)</u>	<u>1,564,784</u>	<u>255,180</u>	<u>1,203,297</u>	<u>0</u>	<u>1,909,351</u>
<u>\$196,904</u>	<u>\$2,039,526</u>	<u>\$864,116</u>	<u>\$1,203,297</u>	<u>\$0</u>	<u>\$1,909,351</u>

SUNSET HILL PERMANENT FUND	TOTAL OTHER GOVERNMENTAL FUNDS
\$1,693,929	\$7,087,360
447	365,924
0	0
0	1,468,796
100,000	100,000
0	1,464,405
<u>\$1,794,376</u>	<u>\$10,486,485</u>
0	812,981
0	1,002,300
0	30,000
<u>0</u>	<u>1,845,281</u>
0	1,161,502
1,794,376	1,794,376
0	3,486,312
0	3,729,315
0	(1,530,301)
<u>1,794,376</u>	<u>7,479,702</u>
<u>\$1,794,376</u>	<u>\$10,486,485</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, 2021

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
Revenues:				
Taxes	\$0	\$0	\$0	\$0
Interest income	0	0	0	0
Contributions	0	0	0	0
Intergovernmental	0	0	0	0
Fines and forfeitures	27,222	0	0	0
Miscellaneous revenues	0	0	0	0
TOTAL REVENUES	27,222	0	0	0
Expenditures:				
Current:				
General government	0	0	0	0
Economic development and assistance	0	0	0	0
Capital outlay	0	0	0	0
TOTAL EXPENDITURES	0	0	0	0
REVENUES OVER (UNDER) EXPENDITURES	27,222	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	27,222	0	0	0
Fund balances beginning of year	36,218	3,711	0	62,784
FUND BALANCES END OF YEAR	\$63,440	\$3,711	\$0	\$62,784

SPECIAL REVENUE FUNDS

GA DCA CHIP 02M-X-092-2-2695	FEDERAL HUD GRANT	GA DCA CHIP 07M-X-092-2-2961	GA DCA CHIP 07MR-X-092-2-2979
\$0	\$0	\$0	\$0
0	0	0	0
0	0	0	0
0	437,989	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>437,989</u>	<u>0</u>	<u>0</u>
0	0	0	0
2,400	1,057,936	7,000	9,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>2,400</u>	<u>1,057,936</u>	<u>7,000</u>	<u>9,000</u>
(2,400)	(619,947)	(7,000)	(9,000)
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(2,400)	(619,947)	(7,000)	(9,000)
3,600	1,207,592	19,600	15,000
<u>\$1,200</u>	<u>\$587,645</u>	<u>\$12,600</u>	<u>\$6,000</u>

(Continued)

**CAPITAL
PROJECTS
FUND**

GA DCA CHIP 2016-116	TRANSIT GRANT FUND	ACCOMMODATIONS TAX	AIRPORT DEVELOPMENT	ROAD IMPROVEMENT FUND
\$0	\$0	\$2,889,733	\$0	\$0
0	0	969	0	0
0	0	0	0	0
0	0	0	2,373,136	581,152
0	0	0	0	0
0	0	0	0	0
0	0	2,890,702	2,373,136	581,152
0	196,904	2,198,276	0	0
97,463	0	0	871,988	0
0	0	0	1,715,687	604,324
97,463	196,904	2,198,276	2,587,675	604,324
(97,463)	(196,904)	692,426	(214,539)	(23,172)
0	0	(675,000)	0	0
0	0	(675,000)	0	0
(97,463)	(196,904)	17,426	(214,539)	(23,172)
309,701	0	1,547,358	469,719	1,226,469
\$212,238	(\$196,904)	\$1,564,784	\$255,180	\$1,203,297

GENERAL CAPITAL PROJECTS	TSPLOST 2018	SUNSET HILL PERMANENT FUND	TOTAL OTHER GOVERNMENTAL FUNDS
\$0	\$0	\$0	\$2,889,733
0	0	963	1,932
0	0	7,400	7,400
0	1,115,355	0	4,507,632
0	0	0	27,222
0	0	26,233	26,233
0	1,115,355	34,596	7,460,152
0	0	358	2,395,538
0	0	0	2,045,787
0	402,548	0	2,722,559
0	402,548	358	7,163,884
0	712,807	34,238	296,268
(251,735)	0	0	(926,735)
(251,735)	0	0	(926,735)
(251,735)	712,807	34,238	(630,467)
251,735	1,196,544	1,760,138	8,110,169
\$0	\$1,909,351	\$1,794,376	\$7,479,702

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, 2021

	BUDGET		ACTUAL	VARIANCE (OVER) UNDER
	ORIGINAL	FINAL		
Current Operations:				
General government				
Administration				
Mayor and council				
Personal services	\$210,187	\$213,387	\$213,312	\$75
Contractual services	207,629	199,674	145,138	54,536
Supplies	19,620	25,643	25,642	1
Travel and training	208,987	208,987	120,472	88,515
Other services and charges	242,417	262,049	238,953	23,096
	<u>888,840</u>	<u>909,740</u>	<u>743,517</u>	<u>166,223</u>
City manager				
Personal services	416,615	424,815	461,400	(36,585)
Contractual services	59,599	58,626	58,406	220
Supplies	21,500	7,576	7,505	71
Travel and training	8,980	11,381	11,314	67
Other services and charges	35,922	38,751	38,751	0
	<u>542,616</u>	<u>541,149</u>	<u>577,376</u>	<u>(36,227)</u>
Elections				
Contractual services	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
City attorney				
Other services and charges	250,000	275,000	274,907	93
	<u>250,000</u>	<u>275,000</u>	<u>274,907</u>	<u>93</u>
Solicitor				
Other services and charges	90,000	65,000	52,102	12,898
	<u>90,000</u>	<u>65,000</u>	<u>52,102</u>	<u>12,898</u>
Indigent Defense				
Other services and charges	25,000	25,000	3,785	21,215
	<u>25,000</u>	<u>25,000</u>	<u>3,785</u>	<u>21,215</u>
TOTAL ADMINISTRATION	<u>1,796,456</u>	<u>1,815,889</u>	<u>1,651,687</u>	<u>164,202</u>
Human resources department				
Administration				
Personal services	353,735	356,185	362,091	(5,906)
Contractual services	5,970	5,970	20,032	(14,062)
Supplies	11,100	7,640	7,546	94
Travel and training	13,711	12,961	11,582	1,379
Other services and charges	29,108	29,118	60,505	(31,387)
	<u>413,624</u>	<u>411,874</u>	<u>461,756</u>	<u>(49,882)</u>
Employee incentives/assistance				
Personal services	3,000	4,750	4,150	600
	<u>\$3,000</u>	<u>\$4,750</u>	<u>\$4,150</u>	<u>\$600</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, 2021

	BUDGET		ACTUAL	VARIANCE (OVER) UNDER
	ORIGINAL	FINAL		
Risk division				
Contractual services	\$29,500	\$29,500	\$16,708	\$12,792
Other services and charges	20,000	20,000	19,612	388
	49,500	49,500	36,320	13,180
TOTAL HUMAN RESOURCES	466,124	466,124	502,226	(36,102)
Finance department				
Finance director				
Personal services	200,005	219,605	219,441	164
Contractual services	1,221	1,221	1,169	52
Supplies	700	1,395	873	522
Travel and training	5,815	5,674	3,378	2,296
Other services and charges	100,653	80,499	65,880	14,619
	308,394	308,394	290,741	17,653
Accounting division				
Personal services	439,999	358,617	358,617	0
Contractual services	7,185	6,865	5,554	1,311
Supplies	5,650	8,050	6,239	1,811
Travel and training	7,935	3,335	1,128	2,207
Other services and charges	56,587	140,489	151,375	(10,886)
	517,356	517,356	522,913	(5,557)
Budget division				
Personal services	176,129	176,129	192,426	(16,297)
Contractual services	1,912	1,520	1,314	206
Supplies	2,900	5,178	4,871	307
Travel and training	2,050	420	308	112
Other services and charges	13,979	13,723	14,959	(1,236)
	196,970	196,970	213,878	(16,908)
Customer service division				
Personal services	617,613	617,613	678,597	(60,984)
Contractual services	138,659	133,423	133,374	49
Supplies	15,635	18,343	18,342	1
Travel and training	1,645	1,145	139	1,006
Other services and charges	113,116	124,197	123,703	494
	886,668	894,721	954,155	(59,434)
Business License				
Personal services	51,606	60,916	60,915	1
Contractual services	51,687	42,374	39,794	2,580
Supplies	5,300	1,840	809	1,031
Travel and training	2,002	2,002	523	1,479
Other services and charges	82,556	77,966	10,145	67,821
	193,151	185,098	112,186	72,912
Purchasing division				
Personal services	154,041	154,041	172,875	(18,834)
Contractual services	3,248	3,248	1,864	1,384
Supplies	1,900	1,671	833	838
Travel and training	3,080	3,080	1,171	1,909
Other services and charges	14,529	14,758	14,758	0
	176,798	176,798	191,501	(14,703)
TOTAL FINANCE	\$2,279,337	\$2,279,337	\$2,285,374	(\$6,037)

(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, 2021

	BUDGET		ACTUAL	VARIANCE (OVER) UNDER
	ORIGINAL	FINAL		
Engineering department				
Engineering division				
Personal services	\$694,299	\$694,299	\$631,547	\$62,752
Contractual services	12,215	12,242	8,878	3,364
Supplies	4,146	6,996	6,331	665
Travel and training	7,973	4,096	2,525	1,571
Other services and charges	74,921	74,921	79,663	(4,742)
	793,554	792,554	728,944	63,610
Signal Maintenance				
Personal services	187,097	187,097	219,212	(32,115)
Contractual services	4,869	10,287	11,178	(891)
Supplies	38,730	118,806	110,871	7,935
Travel and training	1,690	1,240	1,240	0
Other services and charges	31,428	30,082	17,386	12,696
	263,814	347,512	359,887	(12,375)
Signs and Markings				
Personal services	154,777	154,777	175,652	(20,875)
Contractual services	3,309	3,309	3,948	(639)
Supplies	35,730	36,230	36,117	113
Travel and training	160	160	80	80
Other services and charges	11,652	11,652	8,143	3,509
	205,628	206,128	223,940	(17,812)
Traffic Mgt Center				
Personal services	299,286	299,286	331,053	(31,767)
Contractual services	1,424,102	1,433,193	1,544,211	(111,018)
Supplies	11,790	11,171	10,523	648
Travel and training	3,406	3,406	1,935	1,471
Other services and charges	38,964	33,532	33,114	418
	1,777,548	1,780,588	1,920,836	(140,248)
Street Repair				
Personal services	385,277	385,277	350,300	34,977
Contractual services	14,372	16,027	16,026	1
Supplies	20,255	15,547	11,884	3,663
Travel and training	4,220	3,535	978	2,557
Other services and charges	75,983	75,983	95,548	(19,565)
Capital Outlay	0	13,000	0	13,000
	500,107	509,369	474,736	34,633
TOTAL ENGINEERING	\$3,540,651	\$3,636,151	\$3,708,343	(\$72,192)
				(Continued)

(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, 2021

	BUDGET			VARIANCE (OVER) UNDER
	ORIGINAL	FINAL	ACTUAL	
City hall				
Personal services	\$119,840	\$119,840	\$121,203	(\$1,363)
Contractual services	64,477	65,882	64,145	1,737
Supplies	5,621	5,621	12,802	(7,181)
Travel and training	1,858	1,858	145	1,713
Other services and charges	54,044	52,639	72,734	(20,095)
Capital Outlay	62,000	62,000	0	62,000
	<u>307,840</u>	<u>307,840</u>	<u>271,029</u>	<u>36,811</u>
City hall annex				
Personal services	47,907	47,907	55,270	(7,363)
Contractual services	72,208	72,208	78,598	(6,390)
Supplies	820	820	1,354	(534)
Other services and charges	14,372	19,372	64,393	(45,021)
Capital Outlay	82,000	64,000	42,189	21,811
	<u>217,307</u>	<u>204,307</u>	<u>241,804</u>	<u>(37,497)</u>
Customer service				
Contractual services	14,252	14,252	19,826	(5,574)
Supplies	1,000	1,000	892	108
Other services and charges	2,000	2,000	7,661	(5,661)
	<u>17,252</u>	<u>17,252</u>	<u>28,379</u>	<u>(11,127)</u>
Rental				
Contractual services	37,200	29,700	22,157	7,543
Supplies	2,150	7,650	6,848	802
Other services and charges	20,000	20,000	8,712	11,288
Capital Outlay	7,000	7,000	0	7,000
	<u>66,350</u>	<u>64,350</u>	<u>37,717</u>	<u>26,633</u>
TOTAL OTHER GENERAL ADMINISTRATIVE	<u>608,749</u>	<u>593,749</u>	<u>578,929</u>	<u>14,820</u>
Municipal court				
Administration				
Personal services	374,779	374,779	357,467	17,312
Contractual services	52,363	60,004	60,004	0
Supplies	25,745	23,604	16,982	6,622
Travel and training	12,453	10,953	7,171	3,782
Other services and charges	366,865	361,865	204,224	157,641
TOTAL MUNICIPAL COURT	<u>832,205</u>	<u>831,205</u>	<u>645,848</u>	<u>185,357</u>
TOTAL GENERAL GOVERNMENT	<u>9,523,522</u>	<u>9,622,455</u>	<u>9,372,407</u>	<u>250,048</u>
Public safety				
Police department				
Police administration division				
Personal services	871,722	985,993	985,993	0
Contractual services	144,510	123,865	118,977	4,888
Supplies	111,410	60,912	55,580	5,332
Travel and training	49,630	13,130	10,381	2,749
Other services and charges	279,237	272,851	543,441	(270,590)
Capital Outlay	85,500	85,500	81,796	3,704
	<u>1,542,009</u>	<u>1,542,251</u>	<u>1,796,168</u>	<u>(253,917)</u>
Patrol bureau division				
Personal services	7,699,601	7,766,377	7,806,176	(39,799)
Contractual services	189,693	201,508	202,517	(1,009)
Supplies	83,520	91,605	84,176	7,429
Travel and training	43,120	37,116	29,628	7,488
Other services and charges	998,994	951,529	966,530	(15,001)
	<u>\$9,014,928</u>	<u>\$9,048,135</u>	<u>\$9,089,027</u>	<u>(\$40,892)</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, 2021

	BUDGET			VARIANCE (OVER) UNDER
	ORIGINAL	FINAL	ACTUAL	
Investigative bureau division				
Personal services	\$2,037,587	\$2,104,602	\$2,057,209	\$47,393
Contractual services	45,545	48,770	48,769	1
Supplies	70,382	29,941	27,774	2,167
Travel and training	45,736	13,446	10,319	3,127
Other services and charges	213,213	215,704	193,757	21,947
	<u>2,412,463</u>	<u>2,412,463</u>	<u>2,337,828</u>	<u>74,635</u>
Training				
Personal services	413,269	446,074	446,074	0
Contractual services	9,249	10,406	10,406	0
Supplies	483,590	460,731	248,158	212,573
Travel and training	26,454	26,454	8,622	17,832
Other services and charges	20,556	20,556	17,329	3,227
	<u>953,118</u>	<u>964,221</u>	<u>730,589</u>	<u>233,632</u>
Support services bureau division				
Personal services	1,125,871	1,255,259	1,273,225	(17,966)
Contractual services	584,544	475,983	474,400	1,583
Supplies	65,460	51,827	49,246	2,581
Travel and training	9,570	3,415	3,079	336
Other services and charges	296,044	294,763	83,979	210,784
Capital outlay	0	0	126,022	(126,022)
Debt service	207,396	207,396	77,244	130,152
	<u>2,288,885</u>	<u>2,288,643</u>	<u>2,087,195</u>	<u>201,448</u>
Crime lab				
Personal services	804,068	804,068	908,800	(104,732)
Contractual services	190,931	192,556	182,612	9,944
Supplies	63,655	61,280	49,079	12,201
Travel and training	49,552	49,576	19,522	30,054
Other services and charges	91,147	91,873	98,682	(6,809)
Capital outlay	65,900	65,900	65,279	621
	<u>1,265,253</u>	<u>1,265,253</u>	<u>1,323,974</u>	<u>(58,721)</u>
TOTAL POLICE DEPARTMENT	<u>17,476,656</u>	<u>17,520,966</u>	<u>17,364,781</u>	<u>156,185</u>
Fire department				
Fire administration division				
Personal services	492,220	509,510	509,509	1
Contractual services	18,602	18,602	13,742	4,860
Supplies	10,457	11,257	6,992	4,265
Travel and training	24,667	7,377	6,486	891
Other services and charges	77,694	77,694	84,396	(6,702)
Capital Outlay	<u>623,640</u>	<u>624,440</u>	<u>621,125</u>	<u>3,315</u>
Fire fighting division				
Personal services	6,115,880	6,115,880	6,854,759	(738,879)
Contractual services	216,068	217,868	221,181	(3,313)
Supplies	287,925	286,085	219,424	66,661
Travel and training	38,250	37,348	11,748	25,600
Other services and charges	947,093	936,093	891,351	44,742
Capital Outlay	50,000	55,434	42,000	13,434
Debt service	15,800	10,366	0	10,366
	<u>7,671,016</u>	<u>7,659,074</u>	<u>8,240,463</u>	<u>(581,389)</u>
Fire inspection division				
Personal services	308,215	314,323	314,322	1
Contractual services	10,642	10,642	9,221	1,421
Supplies	31,850	24,942	16,274	8,668
Travel and training	11,150	11,150	2,138	9,012
Other services and charges	40,553	40,553	33,767	6,786
Capital Outlay	15,000	20,600	20,521	79
	<u>\$417,410</u>	<u>\$422,210</u>	<u>\$396,243</u>	<u>\$25,967</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, 2021

	BUDGET			VARIANCE (OVER) UNDER
	ORIGINAL	FINAL	ACTUAL	
Fire maintenance division				
Personal services	\$141,023	\$141,023	\$138,428	\$2,595
Contractual services	78,189	78,230	51,330	\$26,900
Supplies	76,550	111,509	110,734	\$775
Travel and training	4,500	4,500	716	\$3,784
Other services and charges	58,626	37,483	37,271	\$212
	<u>358,888</u>	<u>372,745</u>	<u>338,479</u>	<u>34,266</u>
Fire training division				
Personal services	250,575	250,575	143,312	107,263
Contractual services	24,192	35,664	34,560	1,104
Supplies	40,961	41,001	16,739	24,262
Travel and training	20,940	10,370	4,792	5,578
Other services and charges	35,818	35,818	22,797	13,021
Capital Outlay	51,000	55,325	41,459	13,866
	<u>423,486</u>	<u>428,753</u>	<u>263,659</u>	<u>165,094</u>
Special operations				
Personal services	35,392	48,392	26,748	21,644
Contractual services	1,823	1,823	931	892
Supplies	13,000	49,500	4,477	45,023
Travel and training	20,525	20,525	0	20,525
Other services and charges	5,240	5,240	5,334	(94)
	<u>75,980</u>	<u>125,480</u>	<u>37,490</u>	<u>87,990</u>
TOTAL FIRE DEPARTMENT	<u>9,570,420</u>	<u>9,632,702</u>	<u>9,897,459</u>	<u>(264,757)</u>
Other protection services				
Community protection				
Personal services	352,043	352,043	400,136	(48,093)
Contractual services	86,898	68,285	57,963	10,322
Supplies	2,100	20,713	20,712	1
Travel and training	6,062	6,062	2,644	3,418
Other services and charges	53,343	53,343	63,395	(10,052)
	<u>500,446</u>	<u>500,446</u>	<u>544,850</u>	<u>(44,404)</u>
Neighborhood development				
Personal services	68,355	68,355	24,259	44,096
Contractual services	847	1,147	1,209	(62)
Supplies	300	0	0	0
Travel and training	16,844	16,844	16,507	337
	<u>86,346</u>	<u>86,346</u>	<u>41,975</u>	<u>44,371</u>
TOTAL OTHER PROTECTION SERVICES	<u>586,792</u>	<u>586,792</u>	<u>586,825</u>	<u>(33)</u>
TOTAL PUBLIC SAFETY	<u>27,633,868</u>	<u>27,740,460</u>	<u>27,849,065</u>	<u>(108,605)</u>
Public works				
Public works department				
Right of way maintenance				
Personal services	1,398,256	1,400,256	1,534,875	(134,619)
Contractual services	116,656	116,656	68,016	48,640
Supplies	30,110	30,610	27,590	3,020
Travel and training	2,690	990	346	644
Other services and charges	360,061	361,261	334,317	26,944
	<u>1,907,773</u>	<u>1,909,773</u>	<u>1,965,144</u>	<u>(55,371)</u>
Cemetery division				
Personal services	443,443	443,443	537,987	(94,544)
Contractual services	22,940	22,940	26,388	(3,448)
Supplies	13,741	13,741	16,602	(2,861)
Travel and training	1,421	1,421	50	1,371
Other services and charges	100,127	100,127	92,959	7,168
Capital Outlay	50,000	50,000	43,109	6,891
	<u>\$631,672</u>	<u>\$631,672</u>	<u>\$717,095</u>	<u>(\$85,423)</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, 2021

	BUDGET			VARIANCE (OVER) UNDER
	ORIGINAL	FINAL	ACTUAL	
Arborist				
Personal services	\$158,319	\$173,049	\$180,919	(\$7,870)
Contractual services	16,027	13,927	16,124	(2,197)
Supplies	6,650	5,626	5,853	(227)
Travel and training	1,855	749	531	218
Other services and charges	42,956	32,456	19,028	13,428
	225,807	225,807	222,455	3,352
TOTAL PUBLIC WORKS	2,765,252	2,767,252	2,904,694	(137,442)
Economic Development and Assistance				
Administration				
Personal services	104,113	104,113	109,580	(5,467)
Contractual services	4,861	3,461	1,297	2,164
Supplies	2,100	3,500	3,100	400
Travel and training	3,000	1,976	1,301	675
Other services and charges	10,200	11,224	16,000	(4,776)
	124,274	124,274	131,278	(7,004)
Public relations				
Personal services	153,426	153,426	176,528	(23,102)
Contractual services	16,024	17,576	21,260	(3,684)
Supplies	14,700	16,173	37,427	(21,254)
Travel and training	28,690	26,664	25,441	1,223
Other services and charges	33,033	33,501	55,290	(21,789)
	245,873	247,340	315,946	(68,606)
Main street division				
Personal services	75,258	75,258	108,638	(33,380)
Contractual services	195	195	231	(36)
Supplies	70,000	70,000	59,450	10,550
Other services and charges	23,981	23,981	24,053	(72)
	169,434	169,434	192,372	(22,938)
Planning and Zoning				
Personal services	299,186	299,186	301,055	(1,869)
Contractual services	5,742	5,742	19,305	(13,563)
Supplies	1,100	1,100	2,340	(1,240)
Travel and training	2,015	2,015	612	1,403
Other services and charges	47,079	47,079	40,807	6,272
Capital Outlay	0	0	11,500	(11,500)
	355,122	355,122	375,619	(20,497)
Great promise internship				
Other services and charges	286	286	0	286
	286	286	0	286
TOTAL ECONOMIC DEV AND ASSIST	894,989	896,456	1,015,215	(118,759)
TOTAL EXPENDITURES	\$40,817,631	\$41,026,623	\$41,141,381	(\$114,758)

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
CONFISCATED FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Fines and forfeitures	\$0	\$0	\$27,222	\$27,222
Interest	0	0	0	0
TOTAL REVENUES	0	0	27,222	27,222
Expenditures:				
Current:				
Public safety				
Police administration division				
Other services and charges	290	290	0	290
TOTAL EXPENDITURES	290	290	0	290
REVENUES OVER (UNDER) EXPENDITURES	(290)	(290)	27,222	27,512
Fund balance - beginning of year - budgetary basis	36,218	36,218	36,218	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$35,928	\$35,928	\$63,440	\$27,512

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.

\$27,222

Differences - budget to GAAP:

None

0

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

\$27,222

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
PROPERTY EVIDENCE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

		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, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$0	\$0	\$0
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Current:				
Public safety				
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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.			\$0	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			<u>\$0</u>	
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.			<u>\$0</u>	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
URBAN DEVELOPMENT ACTION GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2021

		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, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	\$0	\$2,400	\$0	(\$2,400)
TOTAL REVENUES	<u>0</u>	<u>2,400</u>	<u>0</u>	<u>(2,400)</u>
Expenditures:				
Current:				
Housing development activities				
Construction	0	2,400	2,400	0
TOTAL EXPENDITURES	<u>0</u>	<u>2,400</u>	<u>2,400</u>	<u>0</u>
REVENUES UNDER EXPENDITURES	<u>0</u>	<u>0</u>	<u>(2,400)</u>	<u>(2,400)</u>
Fund balance - beginning of year - budgetary basis	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$3,600</u></u>	<u><u>\$3,600</u></u>	<u><u>\$1,200</u></u>	<u><u>(\$2,400)</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:

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, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Intergovernmental	\$659,080	\$1,058,539	\$437,989	(\$620,550)
TOTAL REVENUES	659,080	1,058,539	437,989	(620,550)
Expenditures:				
Current:				
Economic development and assistance				
Community development				
CDBG 2018 funding				
Infrastructure - Community sidewalk project	0	14,247	14,247	0
CDBG 2019 funding				
Single unit residential rehab	0	651,610	651,610	0
CDBG 2020 funding				
Single unit residential rehab	267,001	7,533	0	7,533
Continuing small business education	0	10,000	10,000	0
Program administration	131,795	131,795	131,795	0
Fair housing education	10,000	0	0	0
Infrastructure - Ponderosa lift station and pocket park	250,284	250,284	250,284	0
TOTAL EXPENDITURES	659,080	1,065,469	1,057,936	7,533
REVENUES OVER EXPENDITURES	0	(6,930)	(619,947)	(628,083)
Fund balance - beginning of year - budgetary basis	1,050,061	1,050,061	1,050,061	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$1,050,061	\$1,043,131	\$430,114	(\$628,083)
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.			\$437,989	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$437,989	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary comparison schedule.			\$1,057,936	
Differences - budget to GAAP:				
None			0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$1,057,936	

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 07M-X-092-2-2961
FOR THE YEAR ENDED JUNE 30, 2021

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Intergovernmental		\$0	\$7,000	\$0	(\$7,000)
TOTAL REVENUES		0	7,000	0	(7,000)
Expenditures:					
Current:					
Housing development activities					
Construction		0	7,000	7,000	0
TOTAL EXPENDITURES		0	7,000	7,000	0
REVENUES UNDER EXPENDITURES		0	0	(7,000)	(7,000)
Fund balance - beginning of year - budgetary basis		19,600	19,600	19,600	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$19,600	\$19,600	\$12,600	(\$7,000)

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.

\$7,000

Differences - budget to GAAP:

None

0

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

\$7,000

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 07MR-X-092-2-2979
FOR THE YEAR ENDED JUNE 30, 2021

		BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
		ORIGINAL	FINAL		
Revenues:					
Intergovernmental		\$0	\$9,000	\$0	(\$9,000)
TOTAL REVENUES		0	9,000	0	(9,000)
Expenditures:					
Housing development activities					
Construction		0	9,000	9,000	0
TOTAL EXPENDITURES		0	9,000	9,000	0
REVENUES OVER EXPENDITURES		0	0	(9,000)	(9,000)
Fund balance - beginning of year - budgetary basis		15,000	15,000	15,000	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS		\$15,000	\$15,000	\$6,000	(\$9,000)

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.

\$9,000

Differences - budget to GAAP:

None

0

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

\$9,000

CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GA DCA CHIP - 2016-116
FOR THE YEAR ENDED JUNE 30, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Intergovernmental	\$0	\$97,464	\$0	(\$97,464)
TOTAL REVENUES	0	97,464	0	(97,464)
Expenditures:				
Housing development activities				
Construction	0	97,464	97,464	0
TOTAL EXPENDITURES	0	97,464	97,464	0
REVENUES OVER EXPENDITURES	0	0	(97,464)	(97,464)
Fund balance - beginning of year - budgetary basis	309,701	309,701	309,701	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$309,701	\$309,701	\$212,237	(\$97,464)
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.			\$97,464	
Differences - budget to GAAP:				
None			0	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$97,464	

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
ACCOMODATIONS TAX
FOR YEAR ENDED JUNE 30, 2021**

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Taxes	\$2,500,100	\$2,500,100	\$2,889,733	\$389,633
Interest income	1,000	1,000	969	(31)
TOTAL REVENUES	2,501,100	2,501,100	2,890,702	389,602
Expenditures:				
Other services and charges	1,972,919	1,972,919	2,198,276	(225,357)
Transfer out	675,000	675,000	675,000	0
TOTAL EXPENDITURES	2,647,919	2,647,919	2,873,276	(225,357)
REVENUES OVER (UNDER) EXPENDITURES	(146,819)	(146,819)	17,426	164,245
Net position - beginning of year - budgetary basis	1,547,358	1,547,358	1,547,358	0
NET POSITION - END OF YEAR	\$1,400,539	\$1,400,539	\$1,564,784	\$164,245

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.

\$2,890,702

Differences - budget to GAAP:

None

0

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

\$2,890,702

Uses/outflows of resources

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

\$2,873,276

Differences - budget to GAAP:

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

(675,000)

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

\$2,198,276

**CITY OF VALDOSTA, GEORGIA
SALES TAX 2013 FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$0	\$0	\$0
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Capital outlay:			
Resurfacing	25,661	850	24,811
Road improvements	2,000,000	635,741	1,364,259
Sidewalk improvements	771,978	39,248	732,730
Intersection improvements	0	(25,099)	25,099
Drainage improvements	192,000	(23,585)	215,585
Traffic improvements	0	80,883	(80,883)
Street maintenance repairs	38,856	(1,202)	40,058
Miscellaneous parks and recreation projects	460,000	482,949	(22,949)
Sewer collections system	4,067,900	(610,307)	4,678,207
Transfer out	0	(213,395)	213,395
TOTAL EXPENDITURES	<u>7,556,395</u>	<u>366,083</u>	<u>7,190,312</u>
REVENUES OVER EXPENDITURES	<u>(7,556,395)</u>	<u>(366,083)</u>	<u>7,190,312</u>
Fund balance - beginning of year - budgetary basis	3,189,438	3,189,438	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	<u>(\$4,366,957)</u>	<u>\$2,823,355</u>	<u>\$7,190,312</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.

\$366,083

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.

3,647,807

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

\$4,227,285

CITY OF VALDOSTA, GEORGIA
SALES TAX 2019 FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$11,710,000	\$13,206,331	\$1,496,331
Transfer in	0	(213,395)	(213,395)
TOTAL REVENUES	11,710,000	12,992,936	1,282,936
Expenditures:			
Capital outlay:			
Resurfacing	957,194	654,840	302,354
Sidewalk improvements	813,760	203,280	610,480
Intersection improvements	120,200	1,988	118,212
Drainage improvements	177,600	0	177,600
Traffic improvements	109,435	99,176	10,259
Street maintenance repairs	70,000	49,468	20,532
Piping of ditches	143,000	0	143,000
SCBA airpicks	201,000	181,437	19,563
EPD sewer collection	2,514,443	427,819	2,086,624
Lift station replacement	750,000	0	750,000
Manhole rehab	587,253	328,871	258,382
Water plant generator	567,000	461,500	105,500
Well rehab	400,000	0	400,000
GEFA debt reduction	3,045,456	2,272,727	772,729
AMI debt service	1,440,034	1,440,034	0
Existing parks	3,027,911	1,529,001	1,498,910
Undesignated contingency	0	362,521	(362,521)
Transfer out	498,000	0	498,000
TOTAL EXPENDITURES	15,422,286	8,012,662	7,409,624
REVENUES OVER EXPENDITURES	(3,712,286)	4,980,274	8,692,560
Fund balance - beginning of year - budgetary basis	4,292,004	4,292,004	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	\$579,718	\$9,272,278	\$8,692,560

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.

\$12,992,936

Differences - budget to GAAP:

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

213,395

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

\$13,206,331

Uses/outflows of resources

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

\$8,012,662

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.

(2,729,854)

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

\$5,282,808

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
AIRPORT DEVELOPMENT FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$2,579,584	\$2,373,136	(\$206,448)
Interest revenue	0	0	0
TOTAL REVENUES	<u>2,579,584</u>	<u>2,373,136</u>	<u>(206,448)</u>
Expenditures:			
Capital outlay:			
Airport improvement	2,579,584	2,587,675	(8,091)
TOTAL EXPENDITURES	<u>2,579,584</u>	<u>2,587,675</u>	<u>(8,091)</u>
REVENUES UNDER EXPENDITURES	<u>0</u>	<u>(214,539)</u>	<u>(214,539)</u>
Fund balance - beginning of year - budgetary basis	<u>156,400</u>	<u>156,400</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$156,400</u></u>	<u><u>(\$58,139)</u></u>	<u><u>(\$214,539)</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.

\$2,373,136

Differences - budget to GAAP:

None

0

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

\$2,373,136

Uses/outflows of resources

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

\$2,587,675

Differences - budget to GAAP:

None

0

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

\$2,587,675

**CITY OF VALDOSTA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
ROAD IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$630,000	\$581,152	(\$48,848)
TOTAL REVENUES	<u>630,000</u>	<u>581,152</u>	<u>(48,848)</u>
Expenditures:			
Capital outlay:			
Road improvement	1,020,225	508,540	511,685
TOTAL EXPENDITURES	<u>1,020,225</u>	<u>508,540</u>	<u>511,685</u>
REVENUES UNDER EXPENDITURES	<u>(390,225)</u>	<u>72,612</u>	<u>462,837</u>
Fund balance - beginning of year - budgetary basis	<u>(639,706)</u>	<u>(639,706)</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>(\$1,029,931)</u></u>	<u><u>(\$567,094)</u></u>	<u><u>\$462,837</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.

\$581,152

Differences - budget to GAAP:

None

0

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

\$581,152

Uses/outflows of resources

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

\$508,540

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.

95,784

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

\$604,324

**CITY OF VALDOSTA, GEORGIA
GENERAL CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

	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, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$696,000	\$1,115,355	\$419,355
TOTAL REVENUES	696,000	1,115,355	419,355
Expenditures:			
Capital outlay:			
Road improvement	0	444,969	(444,969)
Intersection improvements	0	283,952	(283,952)
Sidewalk improvements	0	72,383	(72,383)
Buildings and structures	0	1,381	(1,381)
TOTAL EXPENDITURES	0	802,685	(802,685)
REVENUES UNDER EXPENDITURES	696,000	312,670	(383,330)
Fund balance - beginning of year - budgetary basis	503,864	503,864	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$1,199,864	\$816,534	(\$383,330)

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.

\$1,115,355

Differences - budget to GAAP:

None

0

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

\$1,115,355

Uses/outflows of resources

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

\$802,685

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.

(400,137)

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

\$402,548

**CITY OF VALDOSTA, GEORGIA
SUNSET HILL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Operating revenues:			
Interest income	\$0	\$963	\$963
Contributions	7,000	7,400	400
Rental income	25,032	26,233	1,201
TOTAL OPERATING REVENUES	<u>32,032</u>	<u>34,596</u>	<u>2,564</u>
Operating expenditures:			
Other services and charges	8,104	358	7,746
TOTAL OPERATING EXPENDITURES	<u>8,104</u>	<u>358</u>	<u>7,746</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>23,928</u>	<u>34,238</u>	<u>10,310</u>
Fund Balance - beginning of year - budgetary basis	<u>1,760,138</u>	<u>1,760,138</u>	<u>0</u>
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	<u><u>\$1,784,066</u></u>	<u><u>\$1,794,376</u></u>	<u><u>\$10,310</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.

\$34,596

Differences - budget to GAAP:

None

0

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

\$34,596

Uses/outflows of resources

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

\$358

Differences - budget to GAAP:

None

0

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

\$358

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
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	Custodial Funds	
	TREE COMMISSION	EVIDENCE FUND
ASSETS		
Cash and equivalents	\$59,157	\$67,175
Investments	7,406	0
Total assets	<u>\$66,563</u>	<u>\$67,175</u>
LIABILITIES		
Total liabilities	<u>0</u>	<u>0</u>
NET POSITION		
Restricted for other governments	<u>66,563</u>	<u>67,175</u>
Total net position	<u>\$66,563</u>	<u>\$67,175</u>

The accompanying notes are an integral part of these statements.

CITY OF VALDOSTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

		Custodial Funds	
		<u>TREE COMMISSION</u>	<u>EVIDENCE FUND</u>
ADDITIONS			
Contributions			
Private contributions		\$1,501	\$0
Evidence confiscations		0	49,097
TOTAL CONTRIBUTIONS		<u>1,501</u>	<u>49,097</u>
Investment earnings:			
Interest		5	0
TOTAL INVESTMENT EARNINGS		<u>5</u>	<u>0</u>
LESS INVESTMENT EXPENSE		<u>0</u>	<u>0</u>
NET INVESTMENT EARNINGS		<u>5</u>	<u>0</u>
TOTAL ADDITIONS		<u>1,506</u>	<u>49,097</u>
DEDUCTIONS			
Purchases of trees/materials		13,469	0
Evidence awarded for use/repaid to citizens		0	30,049
TOTAL DEDUCTIONS		<u>13,469</u>	<u>30,049</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION		(11,963)	19,048
NET POSITION - BEGINNING, AS RESTATED		<u>78,526</u>	<u>48,127</u>
NET POSITION - ENDING		<u><u>\$66,563</u></u>	<u><u>\$67,175</u></u>

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, 2021

	ENTERPRISE FUNDS			TOTAL OTHER ENTERPRISE FUNDS
	INSPECTION	AUDITORIUM	MOTOR FUEL	
ASSETS				
Current assets:				
Cash & equivalents	\$1,288,490	\$0	\$3,885	\$1,292,375
Investments	0	0	0	0
Receivables (net)				
Accounts	0	0	14,826	14,826
Due from other governments and agencies	0	0	16,881	16,881
Due from other funds	470,222	35,510	47,476	553,208
Total current assets	<u>1,758,712</u>	<u>35,510</u>	<u>83,068</u>	<u>1,877,290</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	(37,811)	0	0	(37,811)
Net capital assets	<u>1,405</u>	<u>0</u>	<u>0</u>	<u>1,405</u>
Total non-current assets	<u>1,405</u>	<u>0</u>	<u>0</u>	<u>1,405</u>
Total assets	<u>\$1,760,117</u>	<u>\$35,510</u>	<u>\$83,068</u>	<u>\$1,878,695</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$18,100	\$7,277	\$0	\$25,377
Due to other funds	1,617	2,470	0	4,087
Compensated absences	10,098	712	0	10,810
Total current liabilities	<u>29,815</u>	<u>10,459</u>	<u>0</u>	<u>40,274</u>
Non-current liabilities (payable from unrestricted assets):				
Compensated absences	33,013	9,924	0	42,937
Advances from other funds	400,000	0	0	400,000
Total non-current liabilities (payable from unrestricted assets)	<u>433,013</u>	<u>9,924</u>	<u>0</u>	<u>442,937</u>
Total liabilities	<u>462,828</u>	<u>20,383</u>	<u>0</u>	<u>483,211</u>
NET POSITION				
Invested in capital assets	1,405	0	0	1,405
Unrestricted	1,295,884	15,127	83,068	1,394,079
Total net position (deficit)	<u>\$1,297,289</u>	<u>\$15,127</u>	<u>\$83,068</u>	<u>\$1,395,484</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, 2021

	ENTERPRISE FUNDS			TOTAL OTHER ENTERPRISE FUNDS
	INSPECTION	AUDITORIUM	MOTOR FUEL	
Operating revenues:				
Permits	\$1,574,445	\$0	\$0	\$1,574,445
Charges for services	76,928	11,793	210,173	298,894
Miscellaneous revenues	14,850	0	0	14,850
TOTAL OPERATING REVENUES	1,666,223	11,793	210,173	1,888,189
Operating expenses:				
Personal services	669,961	178,068	0	848,029
Contractual services	74,783	84,828	0	159,611
Supplies	4,465	9,515	207,370	221,350
Travel and training	1,774	3,006	0	4,780
Other services and charges	211,087	33,203	0	244,290
Depreciation expense	1,297	0	0	1,297
TOTAL OPERATING EXPENSES	963,367	308,620	207,370	1,479,357
OPERATING INCOME (LOSS)	702,856	(296,827)	2,803	408,832
Non-operating revenues:				
Interest income	551	0	2	553
TOTAL NON-OPERATING REVENUES	551	0	2	553
INCOME (LOSS) BEFORE TRANSFERS	703,407	(296,827)	2,805	409,385
Transfers in	0	285,687	0	285,687
Transfers out	(43,211)	(17,121)	0	(60,332)
	(43,211)	268,566	0	225,355
Change in Net Position	660,196	(28,261)	2,805	634,740
NET POSITION - BEGINNING	637,093	43,388	80,263	760,744
NET POSITION - ENDING	\$1,297,289	\$15,127	\$83,068	\$1,395,484

CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
OTHER ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	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	\$1,651,373	11,793	\$199,834	\$1,863,000
Cash payments to suppliers for goods and services	(283,401)	(125,118)	(199,834)	(608,353)
Cash payments to employees for services	(686,300)	(155,241)	0	(841,541)
Miscellaneous income	14,850	0	0	14,850
Net change in cash from operating activities	696,522	(268,566)	0	427,956
Cash flows from noncapital financing activities:				
Transfers-in from other funds	0	285,687	0	285,687
Transfers-out to other funds	(43,212)	(17,121)	0	(60,333)
Net change in cash from noncapital financing activities	(43,212)	268,566	0	225,354
Cash flows from investing activities:				
Purchase of investment securities	616,124	0	3,883	620,007
Interest and dividends on investments	551	0	2	553
Net change in cash from investing activities	616,675	0	3,885	620,560
Net change in cash	1,269,985	0	3,885	1,273,870
Cash beginning of year	18,505	0	0	18,505
Cash at end of year	\$1,288,490	\$0	\$3,885	\$1,292,375
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CHANGE IN CASH FROM OPERATING ACTIVITIES</u>				
Operating income (loss)	\$702,856	(\$296,827)	\$2,803	\$408,832
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:				
(Increase) in accounts receivable	0	0	(10,339)	(10,339)
Decrease in due from other funds	0	31,240	20,883	52,123
(Increase) in due from other governments and agencies	0	0	(13,347)	(13,347)
Increase in due to other funds	1,617	2,470	0	4,087
(Decrease) in accounts payable	(13,053)	(6,067)	0	(19,120)
Increase in compensated absences	3,805	618	0	4,423
Net change in cash from operating activities	\$696,522	(\$268,566)	\$0	\$427,956

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, 2021

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 & equivalents	\$0	\$289,400	\$524,478	\$1	\$813,879
Investments	0	0	0	0	0
Receivables (net)					
Accounts	0	29,512	0	0	29,512
Due from other funds	0	1,237,426	1,110,905	91,717	2,440,048
Inventories at cost	404,335	0	0	0	404,335
Prepaid expenses	0	0	0	0	0
Total current assets	<u>404,335</u>	<u>1,556,338</u>	<u>1,635,383</u>	<u>91,718</u>	<u>3,687,774</u>
Noncurrent assets:					
Land	92,563	0	0	0	92,563
Land improvements	375,370	0	0	0	375,370
Buildings and structures	528,358	0	0	0	528,358
Motor vehicles	23,937,560	0	0	0	23,937,560
Equipment	2,635,376	0	0	0	2,635,376
Construction in progress	5,107	0	0	0	5,107
	<u>27,574,334</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,574,334</u>
Less accumulated depreciation	<u>(17,743,787)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(17,743,787)</u>
Net capital assets (net of accumulated depreciation)	<u>9,830,547</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,830,547</u>
Total assets	<u>\$10,234,882</u>	<u>\$1,556,338</u>	<u>\$1,635,383</u>	<u>\$91,718</u>	<u>13,518,321</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$200,124	\$1,556,338	\$38,467	\$91,717	\$1,886,646
Accrued interest	\$42,677	\$0	\$0	\$0	\$42,677
Compensated absences (current portion)	25,722	0	0	0	25,722
Due to other funds	2,730,048	0	0	0	2,730,048
Capital lease payable (current portion)	426,868	0	0	0	426,868
Total current liabilities	<u>3,425,439</u>	<u>1,556,338</u>	<u>38,467</u>	<u>91,717</u>	<u>5,111,961</u>
Noncurrent liabilities:					
Compensated absences	24,317	0	0	0	24,317
Capital lease payable (net of current portion)	2,721,794	0	0	0	2,721,794
Advances from other funds	4,063,333	0	0	0	4,063,333
Total liabilities	<u>10,234,883</u>	<u>1,556,338</u>	<u>38,467</u>	<u>91,717</u>	<u>11,921,405</u>
NET POSITION					
Net investment in capital assets	6,681,885	0	0	0	6,681,885
Reserve for workmen's compensation claims	0	0	1,596,916	0	1,596,916
Unrestricted	<u>(6,681,886)</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>(6,681,885)</u>
Total net position	<u>(\$1)</u>	<u>\$0</u>	<u>\$1,596,916</u>	<u>\$1</u>	<u>\$1,596,916</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, 2021

	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	\$5,111,535	\$5,404,134	\$853,566	\$1,913,128	\$13,282,363
Miscellaneous revenues	79,387	101,690	0	0	181,077
TOTAL OPERATING REVENUES	<u>5,190,922</u>	<u>5,505,824</u>	<u>853,566</u>	<u>1,913,128</u>	<u>13,463,440</u>
Operating expenses:					
Personal services	916,379	0	0	0	916,379
Contractual services	272,527	1,830,530	0	1,882,062	3,985,119
Claims paid	0	6,335,918	217,150	0	6,553,068
Supplies	1,878,851	14,851	0	14,570	1,908,272
Travel and training	1,861	0	0	0	1,861
Other services and charges	249,719	2,287	149,349	16,496	417,851
Depreciation expense	1,862,777	0	0	0	1,862,777
TOTAL OPERATING EXPENSES	<u>5,182,114</u>	<u>8,183,586</u>	<u>366,499</u>	<u>1,913,128</u>	<u>15,645,327</u>
OPERATING INCOME (LOSS)	<u>8,808</u>	<u>(2,677,762)</u>	<u>487,067</u>	<u>0</u>	<u>(2,181,887)</u>
Nonoperating revenue (expenses):					
Interest expense	(120,696)	0	0	1	(120,695)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(120,696)</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>(120,695)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(111,888)</u>	<u>(2,677,762)</u>	<u>487,067</u>	<u>1</u>	<u>(2,302,582)</u>
Transfers in	111,887	2,677,762	0	0	2,789,649
	<u>111,887</u>	<u>2,677,762</u>	<u>0</u>	<u>0</u>	<u>2,789,649</u>
CHANGE IN NET POSITION	(1)	0	487,067	1	487,067
NET POSITION - BEGINNING	0	0	1,109,849	0	1,109,849
NET POSITION - ENDING	<u>(\$1)</u>	<u>\$0</u>	<u>\$1,596,916</u>	<u>\$1</u>	<u>\$1,596,916</u>

**CITY OF VALDOSTA, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	MOTOR POOL	GROUP INSURANCE	WORKMEN'S COMP	IT SERVICES	TOTAL INTERNAL SERVICE FUNDS
Cash flows from operating activities:					
Cash received from customers	\$5,190,923	\$5,502,396	\$853,566	\$1,913,128	\$13,460,013
Cash payments to suppliers for goods and services	(1,132,239)	(8,112,465)	(1,063,359)	(1,933,865)	(12,241,928)
Cash payments to employees for services	(949,173)	0	0	0	(949,173)
Net change in cash from operating activities	3,109,511	(2,610,069)	(209,793)	(20,737)	268,912
Cash flows from non capital financing activities:					
Transfer in from other fund	111,887	2,677,762	0	0	2,789,649
Net change in cash from capital financing activities	111,887	2,677,762	0	0	2,789,649
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(2,728,309)	0	0	0	(2,728,309)
Principal payment GMA bond	(413,321)	0	0	0	(413,321)
Interest paid on GMA Bond	(120,937)	0	0	0	(120,937)
Net change in cash from capital and related financing activities	(3,262,567)	0	0	0	(3,262,567)
Cash flows from investing activities:					
Purchase of investment securities	0	0	0	4,458	4,458
Interest and dividends on investments	0	0	0	1	1
Net change in cash from investing activities	0	0	0	4,459	4,459
Net change in cash	(41,169)	67,693	(209,793)	(16,278)	(199,547)
Cash at beginning of year	41,169	221,707	734,271	16,279	1,013,426
Cash at end of year	\$0	\$289,400	\$524,478	\$1	\$813,879
RECONCILIATION OF OPERATING INCOME (LOSS) NET CHANGE IN CASH FROM OPERATING ACTIVITIES:					
Operating income (loss)	\$8,808	(\$2,677,762)	\$487,067	\$0	(\$2,181,887)
Adjustments to reconcile operating income (loss) to net change in cash from operating activities:					
Depreciation	1,862,777	0	0	0	1,862,777
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	0	(3,428)	0	0	(3,428)
Decrease (increase) in due from other funds	0	(328,551)	(704,823)	41,921	(991,453)
(Increase) in inventory	(15,972)	0	0	0	(15,972)
Increase (Decrease) increase in accounts payable	(19,874)	399,672	7,963	(62,658)	325,103
(Decrease) in compensated absences	(6,277)	0	0	0	(6,277)
Increase in advances from other funds	1,280,048	0	0	0	1,280,048
Net change in cash from operating activities	\$3,109,510	(\$2,610,069)	(\$209,793)	(\$20,737)	\$268,911

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, 2021

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	\$1,554,189	\$239,956	\$0	\$1,794,145	81%
2	Road improvements	3,075,000	5,198,527	4,838,328	635,741	0	5,474,069	100%
3	Sidewalk improvements	2,000,000	1,756,278	1,658,613	237,289	0	1,895,902	100%
4	Intersection improvements	200,000	0	89,740	0	0	89,740	0%
5	Drainage improvements	3,000,000	486,329	596,843	80	0	596,923	100%
6	Traffic improvements	750,000	1,149,583	1,102,432	126,079	0	1,228,511	100%
7	Street maintenance repairs	350,000	321,184	564,900	0	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	685,159	482,949	0	1,168,108	100%
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	1,474,138	1,743,351	0	3,217,489	64%
26	Equipment	375,000	0	0	0	0	0	0%
27	GEFA debt repayment for Force Main Project	6,034,554	13,120,357	13,758,889	0	0	13,758,889	100%
28	Manhole/liner rehabilitation	3,100,000	3,400,000	3,362,146	0	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	3,394	0	335,195	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	243,094	0	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	1,148,481	758,446	0	1,906,927	100%
Subtotal		80,025,000	66,171,000	61,306,740	4,227,285	0	65,534,025	
Transfer in		0	0	(827,565)	0	0	(827,565)	
Transfer out		0	0	0	213,395	0	213,395	
TOTAL		\$80,025,000	\$66,171,000	\$60,479,175	\$4,440,680	\$0	\$64,919,855	

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, 2021

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	\$28,772	\$0	\$28,772	0%
2	Road improvements	0	0	0	0	0	0	0%
3	Sidewalk improvements	4,943,660	4,943,660	0	50	0	50	0%
4	Intersection improvements	271,440	271,440	5,551	1,988	0	7,539	3%
5	Drainage improvements	821,718	821,718	0	0	0	0	0%
6	Traffic improvements	240,000	240,000	0	99,176	0	99,176	41%
7	Street maintenance repairs	1,005,000	1,005,000	0	49,468	0	49,468	5%
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 airpicks	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	362,747	0	362,747	6%
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	177,176	0	177,176	9%
25	Water plant generator	1,500,000	1,500,000	0	461,500	0	461,500	31%
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	2,272,727	0	2,272,727	21%
31	AMI radio read system	2,500,000	2,500,000	0	1,440,034	0	1,440,034	58%
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	126,298	26,649	0	152,947	8%
37	Undesignated Contingency	0	0	0	362,521	0	362,521	0%
	Subtotal	65,001,883	65,001,883	131,849	5,282,808	0	5,414,657	
	Transfer in	0	0	0	(213,395)	0	(213,395)	
	Transfer out	0	0	0	0	0	0	
	TOTAL	\$65,001,883	\$65,001,883	\$131,849	\$5,069,413	\$0	\$5,201,262	

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

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)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net Investment in Capital Assets	\$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	\$123,992,944
Restricted	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	7,906,102
Unrestricted	(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)	(58,104,671)
Total governmental activities net position	<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>	<u>\$73,794,375</u>
Business-type activities										
Net Investment in Capital Assets	\$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	\$143,080,879
Restricted	0	0	0	0	0	0	0	0	0	0
Unrestricted	(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)	(6,622,857)
Total business-type activities net position	<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>	<u>\$136,458,022</u>
Primary government										
Net Investment in Capital Assets	\$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	\$267,073,823
Restricted	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	7,906,102
Unrestricted	(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)	(64,727,528)
Total primary government net position	<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>	<u>\$210,252,397</u>

CITY OF VALDOSTA, GEORGIA

Changes in Net Positions

Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
General government	\$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	\$19,471,991
Public safety	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	25,900,150
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Public works	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	1,886,658
Community development	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	2,273,856
Interest on long-term debt	0	0	9,846	5,003	3,044	9,645	16,659	5,941	10,658	10,658
Total governmental activities	<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>	<u>49,543,313</u>
Business-type activities										
Sanitation	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	5,632,534
Water and sewer	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	19,006,552
Inspection	970,029	940,143	1,042,114	949,697	862,507	811,270	840,559	900,375	883,166	883,166
Zoning	455,267	359,543	0	0	0	0	0	0	0	0
DOL building	368,853	355,022	341,979	373,249	423,139	343,828	343,698	309,336	301,288	301,288
Storm Water	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	1,474,837
Auditorium	249,576	212,676	196,780	242,997	245,846	276,172	276,489	283,656	315,395	315,395
Motor fuel	537,152	556,674	532,420	402,611	271,105	292,619	318,224	345,705	256,317	256,317
Total business-type activities	<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>	<u>27,870,089</u>
Total primary government	<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>	<u>\$77,413,402</u>
Program Revenues										
Governmental activities										
Charges for services										
General government	\$204,692	\$54,692	\$103,489	\$355,698	\$56,591	(\$14,556)	\$93,392	\$47,883	\$43,583	\$43,583
Public safety	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	2,128,015
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Other activities	244,771	145,443	255,987	115,062	103,566	134,989	146,272	125,938	104,970	104,970
Operating grants and contributions	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	1,780,286
Capital grants and contributions	12,086,133	9,619,416	10,505,462	12,744,363	11,907,962	12,389,719	12,582,892	12,921,995	13,856,415	13,856,415
Total governmental activities program revenues	<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>	<u>17,913,269</u>
Business-type activities										
Charges for services										
Sanitation	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	5,962,743
Water and sewer	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	20,936,570
Inspection	644,462	642,235	784,402	920,440	860,838	1,163,724	1,315,570	1,229,120	1,468,150	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	1,242,399	1,271,392	1,280,524	1,286,864	1,283,342	1,690,913	1,795,212	1,808,869	1,813,191	1,813,191
Other activities	737,719	675,301	584,687	463,643	323,915	350,343	381,083	401,112	300,970	300,970
Operating grants and contributions	269,437	0	0	0	0	0	0	0	0	0
Capital grants and contributions	957,991	758,616	0	0	0	0	0	0	0	0
Total business-type activities program revenues	<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>	<u>30,950,781</u>
Total primary government program revenues	<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>	<u>\$48,864,050</u>
Net (Expense)/Revenue										
Governmental activities	(\$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)	(\$31,630,044)
Business-type activities	1,368,429	3,066,230	876,672	943,533	1,369,236	(869,479)	(309,690)	(651,174)	3,080,692	3,080,692
Total primary government net expense	<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>	<u>(\$28,549,352)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities										
Taxes										
Property taxes	\$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	12,852,906
Sales tax	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	9,905,639
Accommodations tax	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	2,699,082
Other taxes	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	10,524,167
Investment earnings	31,960	27,214	19,831	16,526	17,374	32,657	48,069	75,146	48,420	48,420
Miscellaneous	619,479	227,429	587,662	628,271	427,323	700,295	572,584	261,365	414,665	414,665
Contributions to permanent fund	0	0	0	0	0	0	0	0	0	0
Transfers	1,242,070	(2,646,499)	(2,671,061)	(12,790,684)	(9,989,224)	988,389	(2,156,461)	(2,345,844)	(3,510,102)	(3,510,102)
Total governmental activities	<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>35,892,875</u>	<u>33,533,511</u>	<u>34,403,596</u>	<u>32,934,777</u>	<u>32,934,777</u>
Business-type activities										
Property taxes	0	0	0	0	0	0	0	0	0	0
Investment earnings	3,178	792	123	0	0	0	0	0	0	0
Capital contributions	0	0	0	0	0	0	0	0	0	0
Special items	0	0	0	0	939,291	0	0	0	0	0
Transfers	(1,242,070)	2,692,361	2,671,061	12,790,684	9,989,224	(988,389)	2,156,461	2,345,844	3,510,102	3,510,102
Total business-type activities	<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>	<u>3,510,102</u>
Total primary government	<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>	<u>\$36,444,879</u>
Change in Net Position										
Governmental activities	(\$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	\$1,304,733
Business-type activities	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	6,590,794
Total primary government	<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>\$4,425,101</u>	<u>\$6,973,723</u>	<u>\$7,895,527</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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	4,522,249	4,245,727	2,899,736	4,277,368	3,551,702	3,292,866	2,677,584	4,868,536	4,440,823	0
Restricted	181,778	151,288	177,245	207,912	206,002	214,291	226,914	235,318	241,627	4,440,823
Committed	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	10,767	263,460
Assigned	316,892	0	0	0	0	0	485,233	0	0	10,767
Unassigned	0	128,039	-1,080,989	(1,873,454)	(1,235,605)	(498,949)	0	(1,334,464)	(359,886)	1,285,958
Total General Fund	<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>	<u>\$6,001,008</u>
All Other Governmental Funds										
Nonspendable, reported in:										
Special revenue funds	2,835,801	2,670,464	2,601,916	2,615,521	2,526,771	0	0	0	0	0
Capital projects funds	696,464	573,385	300,000	213,395	213,395	0	0	0	0	0
Permanent funds	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	0
Restricted, reported in:										
Special revenue funds	249,087	224,601	409,505	259,555	179,820	2,692,805	2,726,461	2,275,612	5,159,397	5,159,397
Capital projects funds	7,194,623	5,714,008	6,336,172	11,623,286	2,141,728	2,893,717	3,566,599	2,608,899	1,745,711	1,745,711
Assigned, reported in:										
Special revenue funds	205,630	323,727	404,357	319,114	584,357	900,420	1,439,690	2,544,492	3,474,135	1,564,784
Capital projects funds	39,966	0	0	490,642	374,163	1,472,890	4,221,265	7,504,953	12,137,417	14,046,768
Unassigned, reported in:										
Special revenue funds	(223,869)	(104,185)	(311,093)	(115,034)	(43,746)	(193,979)	(437,349)	(198,863)	(1,333,397)	(1,333,397)
Capital projects funds	0	0	0	(11,229,531)	(4,387,331)	0	0	0	0	0
Total all other governmental funds	<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>\$22,943,401</u>	<u>\$21,183,263</u>
Total all governmental funds	<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>\$27,276,732</u>	<u>\$27,184,271</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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$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	38,826,267
Licenses and permits	519,109	514,949	508,051	529,749	536,322	557,575	523,976	522,495	509,315	553,358
Charges for services	437,959	476,460	376,127	458,832	142,285	109,622	216,154	170,735	126,887	361,863
Fines and forfeitures	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	859,645
Interest income	33,402	27,214	19,831	18,034	17,374	32,657	48,069	75,147	48,420	3,855
Contributions	55,730	64,720	40,764	17,731	28,648	21,236	276,761	19,314	23,314	66,245
Miscellaneous	687,666	599,370	695,265	644,895	537,879	670,526	634,940	200,454	147,696	772,348
Intergovernmental	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	25,245,914
Total revenues	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	66,689,495
Expenditures										
General government	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	12,177,450
Public safety	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	27,591,150
Public works	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	2,019,765
Culture-recreation	0	0	0	0	0	0	0	0	0	0
Economic development and assistance	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	3,672,912
Capital outlay	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	12,232,652
Debt service										
Interest	141,998	141,175	145,862	27,904	77,511	138,188	189,361	129,323	165,192	74,966
Principal	13,710	14,533	9,846	0	3,044	9,645	16,659	5,941	10,658	2,278
Total expenditures	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	57,771,173
Excess of revenues over (under) expenditures	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	8,918,322
Other Financing Sources (Uses)										
Capital lease	0	0	0	0	1,918,894	2,241,065	2,839,733	2,657,326	3,577,536	6,599,282
Transfers in	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)	(6,322,691)
Transfers out	(3,653,332)	(2,694,456)	(3,312,311)	(3,041,018)	2,134,015	120,508	448,123	0	117,235	126,022
Total other financing sources (uses)	(371,674)	(195,688)	(1,132,660)	(810,018)	1,538,475	(357,225)	1,384,456	288,933	1,539,217	402,613
Net change in fund balances	\$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	\$9,320,935
Debt service as a percentage of noncapital expenditures	0.000%	0.492%	0.500%	0.485%	0.083%	0.221%	0.512%	0.343%	0.432%	0.170%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Governmental activities:										
General government	\$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	\$18,706,232
Public safety	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	8,164,616
Culture - recreation	0	0	0	0	0	0	0	0	0	0
Public works	148,462	734,521	168,377	115,062	103,566	125,293	136,402	125,103	104,970	81,979
Public involvement	646,142	350,641	471,944	798,501	530,453	1,075,780	941,295	609,285	533,753	447,989
Subtotal governmental activities	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	27,400,816
Business-type activities:										
Sanitation	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	6,369,081
Water and sewer	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	21,957,504
Inspection	737,682	642,235	784,402	920,440	860,838	1,163,724	1,315,570	1,229,120	1,468,150	1,666,774
Zoning	144,487	61,153	0	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	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	1,841,585
Auditorium	46,237	47,562	42,536	51,130	43,734	49,011	54,835	46,822	38,198	11,793
Motor fuel	546,995	566,586	542,151	412,513	280,181	301,332	326,248	354,290	262,772	210,175
Subtotal business-type activities	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	32,526,069
Total primary government	<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>	<u>\$59,926,885</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
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
2021	14,086,089	25,983,317	9,344,441	3,642,787	53,056,634
Change					
2012-2021	131.35%	42.26%	4.80%	133.19%	52.32%

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
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
2020	634,096,077	681,242,868	324,541,201	42,684,068	3,160,446	2,147,147	689,170	187,527,338	1,501,033,639	7.974

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
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
2021	8.95	8.95	1.47	2.94

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

Fiscal Year	Bulk Class	
	Water Rate Per CCF	Sewer Rate Per CCF
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
2021	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
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
2021	7.974	7.974	16.19	5.00	8.601

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	2021			2020			2019			2018			2017		
	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	\$949,900	1	4.45%	\$939,345	1	4.54%	\$898,154	1	4.57%	\$719,181	1	3.89%	\$725,622	1	4.24%
Valdosta State University	591,570	2	2.77%	678,180	2	3.28%	716,731	2	3.65%	447,815	2	2.42%	436,046	2	2.55%
South Georgia Medical Center	515,034	3	2.41%	445,530	3	2.15%	362,941	4	1.85%	222,373	4	1.20%	192,159	5	1.12%
Valdosta Board of Education	437,979	4	2.05%	434,383	4	2.10%	161,960	5	0.82%	-	-	-	-	-	-
Valdosta Correctional Institute	416,614	5	1.95%	399,450	5	1.93%	424,047	3	2.16%	415,796	3	2.25%	382,266	3	2.23%
Advanced Disposal/Veolia Solid Waste SE	212,250	6	0.99%	232,648	6	1.13%	154,427	6	0.79%	-	-	-	-	-	-
Lowndes County Jail	201,833	7	0.95%	-	-	-	-	-	-	-	-	-	-	-	-
Evergreen at 5 Points	191,569	8	0.90%	134,294	8	0.65%	-	-	-	87,303	10	0.47%	79,711	10	0.47%
EBSCO Northwind	149,974	9	0.70%	142,441	7	0.69%	134,780	7	0.69%	-	-	-	-	-	-
Park Chase Apartments	122,049	10	0.57%	-	-	-	-	-	-	-	-	-	-	-	-
South Georgia Pecan Co.	-	-	-	128,129	9	0.62%	117,682	10	0.60%	126,576	6	0.68%	105,109	6	0.61%
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%
Woodstone Apartments	-	-	-	-	-	-	-	-	-	97,638	8	0.53%	87,233	7	0.51%
Union Tank Car	-	-	-	-	-	-	-	-	-	92,636	9	0.50%	83,400	9	0.49%
Total	\$3,788,772.00		17.75%	\$3,659,117.00		17.70%	\$3,227,746.00		16.44%	\$2,474,607.00		13.37%	\$2,383,459.00		13.92%

Customer	2016			2015			2014			2013			2012		
	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	\$763,160	1	4.46%	\$778,395	1	4.55%	\$667,428	1	4.36%	\$709,451	1	4.75%	\$755,835	1	5.33%
Valdosta State University	453,423	2	2.65%	613,452	2	3.58%	618,673	2	4.04%	479,675	2	3.21%	397,654	2	2.80%
Valdosta Correctional Institute	351,497	3	2.05%	384,952	3	2.25%	360,132	3	2.35%	375,591	3	2.51%	362,925	3	2.56%
South Georgia Medical Center	295,014	4	1.72%	266,597	4	1.56%	228,558	4	1.49%	255,716	4	1.71%	259,453	4	1.83%
Lowndes County Utilities	279,747	5	1.63%	261,083	5	1.53%	85,611	10	0.56%	188,057	6	1.26%	179,881	6	1.27%
City of Remerton	184,607	6	1.08%	169,669	6	0.99%	155,272	6	1.01%	254,232	5	1.70%	130,346	7	0.92%
Lowndes County Jail	141,415	7	0.83%	100,976	10	0.59%	109822	9	0.72%	-	-	-	86,640	10	0.61%
South Georgia Pecan Co.	93,513	8	0.55%	100,987	9	0.59%	165,707	5	1.08%	116,782	8	0.78%	-	-	-
Quad Graphics	85,725	9	0.50%	-	-	-	-	-	-	-	-	-	-	-	-
Woodstone Apartments	72,684	10	0.42%	107,680	8	0.63%	129,448	7	0.85%	101,067	9	0.68%	-	-	-
ERCO Worldwide	-	-	-	114,299	7	0.67%	120,371	8	0.79%	124,603	7	0.83%	97,720	8	0.69%
Arizona Chemical	-	-	-	-	-	-	-	-	-	89,718	10	0.60%	93,679	9	0.66%
Campus Crest	-	-	-	-	-	-	-	-	-	-	-	-	187,860	5	1.33%
Total	\$2,720,785.00		15.89%	\$2,898,090.00		16.93%	\$2,641,022.00		17.26%	\$2,694,892.00		18.03%	\$2,551,993.00		18.00%

City of Valdosta, Georgia
Principal Property Taxpayers
For the Fiscal Years Ended June 30, 2021 and 2012

2021				2012			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lowes Distribution, Inc.	\$ 43,724,174	1	2.91%	Archer Daniels Midland Co.	\$ 70,385,862	1	4.69%
Archer Daniels Midland Co.	34,212,082	2	2.28%	Lowes Distribution, Inc.	44,234,583	2	2.95%
South Georgia Pecan	20,713,995	3	1.38%	Home Depot	35,937,594	3	0.45%
JM Smith Corp	16,903,055	4	1.13%	JM Smith Corp	23,972,395	4	1.13%
United Phosphorus	14,560,207	5	0.97%	South Georgia Pecan	17,015,675	5	0.84%
Saft Newco, Inc.	13,161,825	6	0.88%	Marelana Valdosta Mall	12,549,205	6	0.78%
Dupont	13,116,549	7	0.87%	Saft Newco, Inc.	11,707,744	7	1.60%
GF Valdosta Mall	12,400,000	8	0.84%	Wal-Mart\Sam's Club	11,379,114	8	0.76%
Home Depot	12,309,369	9	0.82%	ACC/GF 111 Blanton Comm	8,830,959	9	0.59%
Ring Container	8,029,630	10	0.54%	Stratas Foods LLC	6,785,451	10	2.39%
Total Principal Taxpayers	189,130,886		12.61%	Total Principal Taxpayers	242,798,582		16.19%
All Other Taxpayers	1,311,802,753		87.39%	All Other Taxpayers	1,184,154,876		82.98%
Total	<u>\$1,501,033,639</u>		<u>100.00%</u>	Total	<u>\$ 1,426,953,458</u>		<u>99.17%</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
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%	379,019	8,666,717	97.82%
2017	11,339,178	10,923,838	96.34%	415,340	11,339,178	100.00%
2018	11,308,767	10,923,838	96.60%	384,929	11,308,767	100.00%
2019	11,564,827	10,889,853	94.16%	539,903	11,429,756	98.83%
2020	11,425,916	10,976,173	96.06%	332,946	11,309,119	98.98%
2021	11,703,901	11,319,600	96.72%	0	11,319,600	96.72%

CITY OF VALDOSTA, GEORGIA

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(accrual basis of accounting)

Fiscal Year	<u>Governmental Activities</u>	<u>Business-Type Activities</u>		Total Primary Government	Percentage of Personal Income	Per Capita
	<u>Capital Leases</u>	<u>Revenue Bonds</u>	<u>Term Loans Payable</u>			
2011	\$579,740	\$0	\$37,252,311	\$37,832,051	0.02	694
2012	437,742	0	47,965,307	48,403,049	0.03	864
2013	296,567	2,546,000	47,796,915	50,639,482	0.03	879
2014	150,705	2,313,000	48,100,481	50,564,186	0.03	895
2015	57,497	2,080,000	71,774,022	73,911,519	0.04	1,253
2016	2,114,046	2,630,310	84,929,014	89,673,370	0.05	1,592
2017	2,599,644	1,614,000	86,516,027	90,729,671	0.05	1,593
2018	2,487,268	1,381,000	81,130,276	84,998,544	0.05	1,507
2019	4,543,413	1,148,000	73,827,629	79,519,042	0.04	1,409
2020	3,887,603	915,000	66,815,617	71,618,220	0.04	1,269
2021	3,518,995	31,451,997	38,546,196	73,517,188	N/A	N/A

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

CITY OF VALDOSTA, GEORGIA

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years
(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		
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
2021	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, 2021

Governmental Unit		Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes				
Valdosta City School System	2015 Bond Series	\$52,905,000	100.00%	\$52,905,000
Other debt				
Lowndes County - Capital leases		45,433,444	47.37%	21,521,822
Lowndes County - Bonds		3,047,353	47.37%	1,443,531
				<u>22,965,354</u>
Subtotal, overlapping debt				75,870,354
City direct debt				3,518,995
				<u><u>\$79,389,349</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 2020 County taxable valuation of \$3,602,326,522 and City taxable valuation of \$1,706,319,584 percent 47.37%.

CITY OF VALDOSTA, GEORGIA

Legal Debt Margin Information

Last Ten Fiscal Years
(accrual basis of accounting)

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$1,485,527,088
Debt limit (10% of assessed value)	148,552,709
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	\$148,552,709

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$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	\$148,552,709
Total net debt applicable to limit	437,742	296,567	150,705	57,497	2,114,046	2,599,644	2,487,268	4,543,412	3,887,603	3,518,995
Legal debt margin	\$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	\$145,033,714
Total net debt applicable to the limit as a percentage of debt limit	0.31%	0.20%	0.10%	0.04%	1.42%	1.80%	1.75%	3.15%	2.69%	2.43%

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	
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
2021	21,633,912	17,921,093	3,712,819	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
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%
2021	56,700	N/A	N/A	29.9	8,562	4.2%

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, 2021 and 2012

<u>Employer</u>	2021			<u>Employer</u>	2012		
	Number of Employees	Rank	Percentage of Total City Employment		Number of Employees	Rank	Percentage of Total City Employment
Moody Air Force Base	6,100	1	9.61%	Moody Air Force Base	5,230	1	8.24%
Valdosta State University	3,190	2	5.02%	South Georgia Medical Center	2,500	2	3.94%
South Georgia Medical Center	2,700	4	4.25%	Lowndes County Schools	1,450	3	2.28%
Lowndes County Schools	1,435	3	2.26%	Valdosta State University	1,350	4	2.13%
Valdosta City School System	1,115	5	1.76%	Valdosta City School System	1,300	5	2.05%
Lowe's Distribution Center	950	6	1.50%	Walmart Supercenters	842	6	1.33%
Fresh Beginnings Inc.	920	8	1.45%	Lowe's Distribution Center	777	7	1.22%
Wild Adventures	810	7	1.28%	Convergys Corp	572	8	0.90%
Walmart Supercenters	690	9	1.09%	City of Valdosta Government	565	9	0.89%
City of Valdosta Government	660	10	1.04%	Lowndes County Government	551	10	0.87%
Total Principal Employees	18,570		29.24%	Total Principal Employees	15,137		23.84%
Other Employees	44,930		70.76%	Other Employees	43,492		74.18%
Total Employees	63,500		100.00%	Total Employees	58,629		98.02%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Manager's Office	4	4	4	5	5	6	5	5	4	4
Public Relations	2	2	2	2	2	2	3	3	2	2
Municipal Court	4	4	4	4	4	4	4	5	5	5
Human Resources	4	4	4	3	4	4	4	4	4	4
Finance	26	25	25	24	24	23	24	24	23	23
Engineering	27	22	22	23	25	26	21	25	28	28
Information Technology	2	2	2	0	0	0	0	0	0	0
Facility Maintenance	5	4	4	4	5	5	6	6	6	6
Police	172	169	169	162	166	183	171	164	182	182
Fire	98	102	102	101	96	105	109	106	108	108
Public Works	32	21	21	30	27	31	32	33	36	37
Public Involvement	7	7	7	2	2	2	2	2	2	2
Community Development	22	21	21	21	22	22	19	18	18	19
Sanitation	48	44	44	48	55	51	54	51	54	55
Water	49	45	45	59	66	69	69	68	75	76
Sewer	36	36	36	24	18	18	18	18	19	20
Storm Water	14	14	14	13	12	15	15	12	12	12
Zoning	4	4	4	4	4	4	4	4	4	4
Fleet	11	11	11	13	14	14	15	14	15	15
Total	<u>567</u>	<u>541</u>	<u>541</u>	<u>542</u>	<u>551</u>	<u>584</u>	<u>575</u>	<u>572</u>	<u>597</u>	<u>602</u>

Sources:

City Human Resource Department

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	10,500
Percent of projects awarded within 10% of engineer's estimate	90%	90%	90%	90%	67%	67%	70%	80%	75%	80%
<u>Municipal Court</u>										
Dockets Processed	16,500	17,000	17,000	14,000	12,000	12,000	12,500	12,000	12,400	12,500
<u>Police</u>										
Increase in Citizen contacts	2,900	1,800	2,770	2,770	2,800	2,850	2,900	2,900	2,950	2,975
Narcotics Arrests	320	320	320	320	325	330	335	335	340	345
Students Completing Dare	1,376	1,350	1,202	1,370	1,380	1,385	1,400	1,400	1,350	1,355
<u>Fire</u>										
Number of Fire Stations	7	7	7	7	7	7	7	7	7	7
Number of Fire Inspections performed	1,390	1,500	1,500	1,245	1,200	1,200	1,300	1,200	1,250	1,275
<u>Public Works</u>										
Street Sweeping Frequency per year	30	30	15	12	13	12	13	13	14	15
<u>Arborist</u>										
Number of Trees Planted	280	220	100	40	40	40	45	10	35	40
Number of trees Pruned	1,200	1,300	500	1,000	800	800	850	1,000	1,050	1,100
<u>Public Involvement</u>										
Bi-monthly Newsletters Produced	6	6	4	4	4	4	5	5	4	5
Net Gain of new downtown Businesses	6	8	5	5	5	6	5	5	4	5
<u>Sanitation</u>										
Residential Stops/collection employee/week	2,620	2,635	2,650	2,640	2,660	2,670	2,680	2,680	2,675	2,680
Commercial lifts per hour/driver	38	40	40	40	38	39	40	40	41	42
<u>Drainage</u>										
Feet of storm drain cleaned and maintained	13,311	15,000	15,000	50,000	50,000	50,000	51,000	50,000	51,000	51,500
<u>Water</u>										
Average volume of water treated (MGD)	11.500	11.500	9.670	11.260	11.6	11.6	12.0	11.9	12.0	12.3
New meters installed annually	1000	1500	1500	1500	500	500	500	350	400	410
<u>Sewer</u>										
Average volume of wastewater treated daily (MGD)	6.5	7.7	8.1	9.9	10	10	11	7.2	7.3	7.4
Miles of sewers maintained	270	275	275	330	315	330	335	355	355	360
<u>Inspections</u>										
Percentage of Plans completed within 10 days	95%	95%	95%	95%	95%	95%	95%	97%	98%	97%
Percentage of inspections completed in 24 hours	95%	95%	95%	95%	95%	95%	95%	100%	100%	100%
<u>Auditorium</u>										
Number of Days Rented	330	330	330	175	175	175	180	185	100	150

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>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
Patrol units	155	158	158	158	158	158	158	158	160
Fire Stations	7	7	7	7	7	7	7	7	7
Refuse collection									
Collection trucks	13	13	13	13	13	13	13	13	13
Other public works									
Streets (miles)	304	304	304	304	304	304	304	304	304
Highways (miles)									
Streetlights	6,266	6,266	6,277	6,277	6,277	6,277	6,281	6,200	6,290
Traffic signals	126	127	127	127	127	128	128	128	128
Park and recreation									
Acreage	300	300	300	300	300	300	300	300	300
Playgrounds	2	2	2	2	2	2	2	2	2
Baseball/softball diamonds	24	24	24	24	24	24	24	24	24
Soccer/football fields	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1
Water									
Water mains (miles)	389	395	402	410	419	430	439	441	441
Fire hydrants	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
Wastewater									
Sanitary sewers (miles)	325	330	330	330	335	342	380	382	382
Treatment capacity (gallons)	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, 2021

Grant Title	CFDA Number	Grant I. D. Number	Expenditures	Passed through to Subrecipients
<u>U S Environmental Protection Agency</u>				
Indirect Federal Grants:				
Passed through Georgia Environmental Facilities Authority (GEFA)				
Drinking Water State Revolving Fund (loan)	66.468	DW2020004	\$7,181,217	\$0
TOTAL U S ENVIRONMENTAL PROTECTION AGENCY			7,181,217	0
<u>Department of Homeland Security</u>				
Direct Federal Grants:				
Homeland Security Cluster	97.067	EMW-2017	10,000	0
Homeland Security Cluster	97.067	EMW-2019	12,518	0
Total Homeland Security Cluster			22,518	0
Law Enforcement Officer Reimb. Agreement	97.090	HSTS0216HSLR793	7,240	0
Law Enforcement Officer Reimb. Agreement	97.090	70T02021T6114N284	10,660	0
TOTAL U S DEPARTMENT OF HOMELAND SECURITY			40,418	0
<u>Department of Housing and Urban Development</u>				
Direct Federal Grants:				
Entitlement Grants Cluster	14.218	B-15-MC-13-0015	79,544	0
Entitlement Grants Cluster	14.218	B-16-MC-13-0015	84,783	0
Entitlement Grants Cluster	14.218	B-18-MC-13-0015	118,360	0
Entitlement Grants Cluster	14.218	B-19-MC-13-0015	292,446	0
Entitlement Grants Cluster	14.218	B-20-MC-13-0015	134,966	0
Entitlement Grants Cluster	14.218	B-20-MW-13-0015	249,536	0
Total Entitlement Grant Cluster			959,635	0
TOTAL U S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			959,635	0
<u>Department of Justice</u>				
Direct Federal Grants:				
Bulletproof Vest Partnership Program	16.607	N/A	12,110	0
TOTAL U S DEPARTMENT OF JUSTICE			12,110	0
<u>Department of Transportation</u>				
Direct Federal Grants:				
Airport Development Aid Program	20.106	3-13-0115-36-2019	1,575	0
Airport Development Aid Program	20.106	3-13-0115-37-2020	1,543,045	0
Airport Development Aid Program	20.106	3-13-0115-38-2020	871,988	0
Airport Development Aid Program	20.106	3-13-0115-39-2021	63,830	0
Total Airport Development Aid Program			2,480,438	0
State of Georgia Passthrough Federal Grants:				
Governor's Office of Highway Safety				
Highway Safety Cluster	20.600	TEN-2020-402PT-014	2,126	0
Highway Safety Cluster	20.600	TEN-2021-F.A.S.T 402PT-004	3,770	0
Total Highway Safety Cluster			5,896	0
Federal Transit-Urbanized Area Formula Program-Capital	20.507	GA-2020-007-01-00	98,452	0
Federal Transit-Urbanized Area Formula Program-Operating	20.507	GA-2020-007-01-00	98,452	0
Total Federal Transit Cluster			196,904	0
TOTAL U S DEPARTMENT OF TRANSPORTATION			2,683,238	0
<u>Department of Treasury</u>				
Direct Federal Grants:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	Coronavirus State and Local Fiscal Recovery Funds	3,214,584	0
State of Georgia Passthrough Federal Grants:				
Governor's Office of Planning and Budget				
COVID-19 Coronavirus Relief Fund - Part 1	21.019	GA-0000661	886,618	0
COVID-19 Coronavirus Relief Fund - Part 2	21.019	GA-0002071	2,068,775	0
TOTAL OF EXPENDITURES OF FEDERAL AWARDS			\$17,046,595	\$0

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, 2021**

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.

**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
Valdosta, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 18, 2022.

Internal Control Over Financial Reporting

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

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

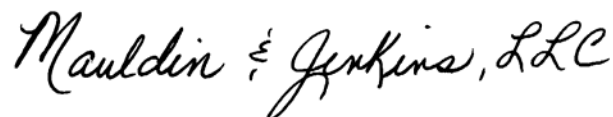
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

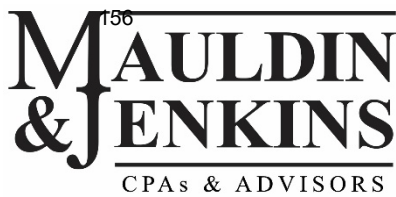
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the company name written in a professional, yet personal, style.

Macon, Georgia
May 18, 2022



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

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

Report on Compliance For Each Major Federal Program

We have audited the City of Valdosta, Georgia's (the "City") 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's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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'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's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the City 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'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'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.

Mauldin & Jenkins, LLC

CITY OF VALDOSTA, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021SECTION I
SUMMARY OF AUDITOR'S RESULTS**Financial Statements**

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

☐ Yes ☒ NoSignificant deficiencies identified not considered
to be material weaknesses?☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No**Federal Awards**

Internal control over major programs:

Material weaknesses identified?

☐ Yes ☒ NoSignificant deficiencies identified not considered
to be material weaknesses?☐ Yes ☒ None ReportedType of auditor's report issued on compliance for
major programs

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance?☐ Yes ☒ No

Identification of major program:

CFDA Number

66.458

21.019

21.027

Name of Federal Program or Cluster**U.S. Environmental Protection Agency**

Capitalization Grants for Clean Water State Revolving Funds

Department of Treasury

Coronavirus Relief Fund ("CARES") Act

Department of Treasury

Coronavirus State and Local Fiscal Recovery Funds

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

\$750,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

CITY OF VALDOSTA, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

**SECTION II
FINANCIAL STATEMENT FINDINGS**

None Reported.

**SECTION III
FEDERAL AWARD FINDINGS AND RESPONSES**

None Reported.

CITY OF VALDOSTA, GEORGIA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

No prior year findings reported.

