



Photo Credit: Michael Valentine

Villa Rica

**CITY OF VILLA RICA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended September 30, 2023**



CITY OF VILLA RICA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2023

Prepared By:
The City of Villa Rica Finance Department

INTRODUCTORY SECTION

CITY OF VILLA RICA, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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March 20, 2024

To the Honorable Mayor, Members of the City Council, City Manager,
Citizens, Businesses, and Stakeholders of the City of Villa Rica:

It is my pleasure to present the City of Villa Rica's (the "City") Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. These financial statements were prepared by the City's Finance Department and audited by the public accounting firm of Mauldin & Jenkins, LLC. As reflected in the Independent Auditor's Report, the City's financial statements are presented fairly in all material respects in accordance with Generally Accepted Accounting Principles (GAAP) in the United States.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the City of Villa Rica, Georgia.

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report is published to fulfill that requirement for the year ended September 30, 2023. This report has been prepared in accordance with State statutes set forth in an Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p. 464), and as amended by an Act approved April 21, 1968 (GA Laws 1997, p. 883).

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This transmittal letter complements the MD&A and should be read in conjunction with it.

OUR HISTORY

The location that eventually became Villa Rica was originally settled in 1826 along what is now Dallas Highway. Shortly after the arrival of the wagons in 1826, gold was discovered. Although it did not develop into the large gold rush that would strike Georgia a few years later, there was a small gold rush in Villa Rica in the late 1820s. When the Georgia Gold Rush took hold in 1829, most of the Villa Rica miners moved northeast to the Dahlonega area. Nevertheless, some mining continued in the area, with several hundred men employed in nearby mines.

The City of Villa Rica was incorporated on December 24, 1842. Two small communities in the Villa Rica area, Hixtown and Cheevestown, had been formed between 1826 and 1882. When the railroad was built in 1882, Hixtown and Cheevestown moved to Villa Rica's present location. Many of the original structures were physically moved to the new site by rolling them on logs pulled by horses. Another act was passed by the State on September 13, 1883, to incorporate Villa Rica in its new location.

GOVERNMENT PROFILE

The City Charter provides for a Council-Manager form of government, subject only to the limitations imposed by the State of Georgia and the City Charter. All powers of the City are vested in an elective Council (the "City Council"), which enacts legislation, adopts budgets, and determines policy. The City Council is comprised of six members, with five members elected from single-member wards, and the Mayor elected at-large. The Mayor and Council members have four-year terms. The City Council also appoints a City Manager who executes the laws and administers the government of the City and serves as the City's Chief Operating Officer.

The City provides a vast array of municipal services. The full range of services provided to its constituents includes ongoing programs to provide public safety; maintenance and construction of streets and drainage; cultural and recreational services; and community development. The City also considers the promotion of convention and tourism and participation in economic development programs as high priorities. The funding sources from which these various services are provided include property, sales, and hotel tax receipts; grants; user fees; and other sources.

The City has two component units that are considered part of the City's operations and, therefore, included in its annual financial statements. The two units are the Downtown Development Authority and the Industrial Development Authority. For additional details on all of the City's component units and the basis for their respective presentation in our financial report, please refer to the Financial Section, Note 1 Summary of Significant Accounting Policies.

ECONOMY

The City is located in West Georgia, approximately 35 miles west of downtown Atlanta and 24 miles east of the Alabama border. Interstate 20, Highway 78, Highway 101, and Highway 61 run through Villa Rica, providing easy access to and from the City. Residents of Villa Rica enjoy first-rate medical services, various industrial employment opportunities, historical attractions, including the Pine Mountain Gold Museum, a variety of dining establishments, and lively performing arts at the Mill Amphitheatre in downtown. Geographically, the City of Villa Rica covers more than 14 square miles in two counties. Roughly 57% of the population is located in the northeastern corner of Carroll County, while the other 43% is located in the northwestern corner of Douglas County. The City is estimated to be the 70th most populated city in the State

of Georgia with roughly 18,000 citizens. Since 2010, the City's population has grown over 21% and is projected to grow by an additional 8,000 people through the year 2030.

The City's commercial and industrial properties comprise more than 47% of the total tax digest by property value, ensuring a strong economic environment. Major employers in and around the Villa Rica area include Tanner Medical Center, Printpack, Flowers Baking Company, Southwire, Sugar Foods, Carroll County Board of Education, Turano Bread Company, Walmart, and the City of Villa Rica.

COVID-19 The COVID-19 global pandemic brought unprecedented challenges to our community, neighborhoods, businesses, and economy. However, our City overcame many of these challenges. Participation in all the City's programs/events such as spring and summer sports, summer camps, July 3rd Fireworks and summer concerts is at pre-pandemic levels or higher. All the community and recreational facilities like Pine Mountain Gold Museum, Library and Senior Center are operating at or above pre-pandemic levels as well. Several capital projects and new developments launched in 2023 and are summarized below.

MAJOR CAPITAL INITIATIVES

North Loop Bypass Plans for a North Loop Bypass have been underway for over half a century. The Georgia Department of Transportation is creating a bypass on the northside of Villa Rica stemming from the 3-way stop at Industrial Blvd and Highway 61 near Stockmar Road. Both intersections are being designed as roundabouts. GDOT began clearing the path for the North Loop Bypass late in 2021. The bypass will remove much of the truck traffic that clogs downtown and open a new commercial corridor on the east side of town. The City will be responsible for the utility relocations and possible betterments.

Downtown Development The City was approved for a \$1.7 million state Rural Downtown Development Grant that will help with road improvements. It will assist the overall plan to improve connectivity with the east and west sides of the City. Also, the City was awarded a \$1.4 million grant from the Atlanta Regional Commission as part of their Livable Cities Initiative (LCI). This grant will pay for engineering designs for making our downtown more livable and easier to navigate for pedestrians and motorists.

Utilities Much of the progress in 2023 has been hard to see because it has involved underground pipes, or it's been done in places the public seldom visits. Staff produced 473 million gallons of drinking water through the operation of the water treatment facility. Our production of drinking water increased from the long-standing 1.30 million gallons per day to 1.42 million gallons per day, totaling nearly 44 million gallons more production per year moving forward. We upgraded the Cowan Lake raw water pump station and improved screening; repaired water plant infrastructure, replaced pumps and valves, and begun the development of a new in-house microbiological laboratory to reduce the cost of testing our water quality. Staff appropriately treated and returned to the environment 527 million gallons of wastewater. Meanwhile, there were substantial improvements in the wastewater system. Lift stations were also improved, and overall, there are new automation systems that will alert our operators of problems as they occur. Altogether last year we repaired 120 service leaks, cleared 90 miles of water and sewer easements, and maintained over 210 miles of water and sewer infrastructure, adding improvements system-wide.

ECONOMIC DEVELOPMENT

New Development Our city is growing fast, and we can expect to add new residences and developments over the next few years. Villa Rica has what we believe to be a healthy mix of residential development

underway. At the end of 2023, there were a total of 3,825 such projects in progress: 1,113 houses, along with 1,312 apartments and 1,398 townhome units.

The biggest construction news for the east side is the Fuqua mixed-use development, which is underway along Mirror Lake Boulevard. This one development holds the promise of changing our City just as the Mirror Lake Community did 20 years ago. Along with over 400 new places to live, the Fuqua plan will feature a 60,000 square foot grocery store, new retail shops and new restaurants that will improve our quality of life. It will also be the anchor development for the Eastside Connector, a roadway that will provide a long-desired link between downtown and the Mirror Lake and Liberty Road communities.

Arbour Valley Communities broke ground on Cleghorn Street for its development in 2022. The 192-unit workforce housing campus is now leasing on Cleghorn Street. This was the first major housing construction in the City since the pandemic.

Other developments under construction include Alta Villa Rica, an upscale 200-unit development by Wood Partners that is being built in the area between Hardee's on Highway 61 and the Villa Rica High School; and Rivershire Place, going up behind the fire station at Leggett Drive as a 186-townhome development.

Altogether, there are 3,800 residential units in the pipeline through 2026; the full buildout of these developments should generate 9,000 new residents, most of them in Carroll County.

When that cycle is complete, over \$1 billion in new market value will be added to the City's gross tax digest. By relying on tax revenues generated solely through new growth, the City can continue to provide quality services to existing property owners without adding to the millage rate.

FINANCIAL INFORMATION

The management of the City is responsible for establishing a system of internal controls that is designed to provide reasonable assurance that assets are protected from loss, theft, or misuse. The City's accounting system supports the internal controls and procedures, which provide reliable financial records for preparing financial statements in conformity with GAAP. The internal control structure provides reasonable assurance that the City's assets are safeguarded as well as the reliability of financial records for preparing financial statements. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

BUDGET Budgetary compliance is a significant tool for managing and controlling governmental activities, as well as ensuring conformance with the City's budgetary limits and specifications. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Levels of budgetary control, that is the levels at which expenditures cannot legally exceed appropriated amounts, are established at the department level within individual funds. The City utilizes an encumbrance system of accounting as one mechanism to accomplish effective budgetary control. Another budgetary control is the generation of a monthly revenue and expenditure report summarizing by department budget and actual balances with variances which are reviewed by the City's Finance Department.

The Finance Department meets with department managers regularly to assess departments' revenues and expenditures based on actual to date and projected revenue and expenditures for the remainder of the fiscal year. The projected revenue and expenditures are compared against the legally adopted budget for analysis. A financial summary is presented to the Finance Committee, comprised of three council members, quarterly, and to the City Council on a monthly basis. The accounting software requires a password for any requisitions that exceed the budget for any line item. Therefore, the departments are not able to request funds for line items that have met or exceeded the budget. Budget transfers within departments are processed by the Finance Department, while budget amendments that impact the overall budget go to Council for approval.

Annual Budget Process The annual budget serves as the foundation for the City's financial planning and control. The development of the City's annual budget begins in April. It is a comprehensive effort that involves input from the Mayor and City Council, City Manager, all City departments, and citizens. There are several major components to the process, including gathering input on priorities, the annual goal setting session with the Mayor and City Council, presentation of the proposed budget, public comment on the proposed budget, City Council budget work sessions, and budget adoption.

Goal Setting At the beginning of the budget process, the City Manager, Deputy City Manager and Department Heads, including the Finance Department, meet with the City Council to discuss upcoming priorities and set goals for the budget. This is an open dialogue between the Department Heads and the Council. Department Heads bring their wish lists, and the Council brings theirs.

Budget Proposal After obtaining the priorities of the City Council, the City Manager reviews department budgets to ensure they are in line with priorities and funding availability. The City Manager then presents the proposed budget to the City Council for review in early August. The proposed budget represents the City staff's recommendation of utilizing revenues and expenditures in order to achieve a balanced budget, while optimizing City service deliveries and addressing priorities of the City Council and residents.

City Council Work Sessions The City Manager, Deputy City Manager and Finance Director with the City Council to discuss capital projects and personnel requests before the budget is proposed. Once the budget is proposed, the City Council hold additional work sessions to review the proposed budget. The budget work sessions provided a forum for public comments on significant policy issues as well as an opportunity to review departmental programs, service enhancement, and revenue changes.

Budget Adoption On September 20, 2022, City Council adopted the fiscal year 2023 Operating and Capital Budget. City Council must adopt a final budget each year no later than September 30th, or the prior year budget rolls forward into the new fiscal year. The appropriated budget is prepared by fund (e.g., General Fund) and department (e.g., Finance Department). The legal level of budgetary control is approved by City Council at the individual fund and departmental level. Expenditures by department and major category (personnel, nonpersonnel, and capital outlay) are further defined in the budget document.

FINANCIAL RESERVE As a means of managing the City's financial standing, the City established and maintains a financial reserve within the General Fund and Water and Sewer Fund. The financial reserve provides budgetary flexibility for unexpected events, financial emergencies, or the unusual fluctuation in revenue-expenditure patterns that impact the ability of the City in the short-term to meet its obligations. In the Water and Sewer Fund, the reserve also allows for pay-as-you-go capital purchases.

AWARDS

As demonstrated by the statements and schedules included in the financial and required supplemental information sections of this report, the City continues meeting its responsibility for sound financial management.

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Finance Reporting to City of Villa Rica, Georgia for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the third year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

This is the fourth Annual Comprehensive Financial Report that the City has prepared. The preparation of this report is possible because of the dedicated services of the Finance Department and the cooperation of all City departments. We would like to express our appreciation to all who assisted in this effort. In closing, please accept our sincere gratitude to the Mayor and City Council for their continued support.

Respectfully submitted,



Tom Barber
City Manager



Jennifer Hallman, CPFO
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Villa Rica
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

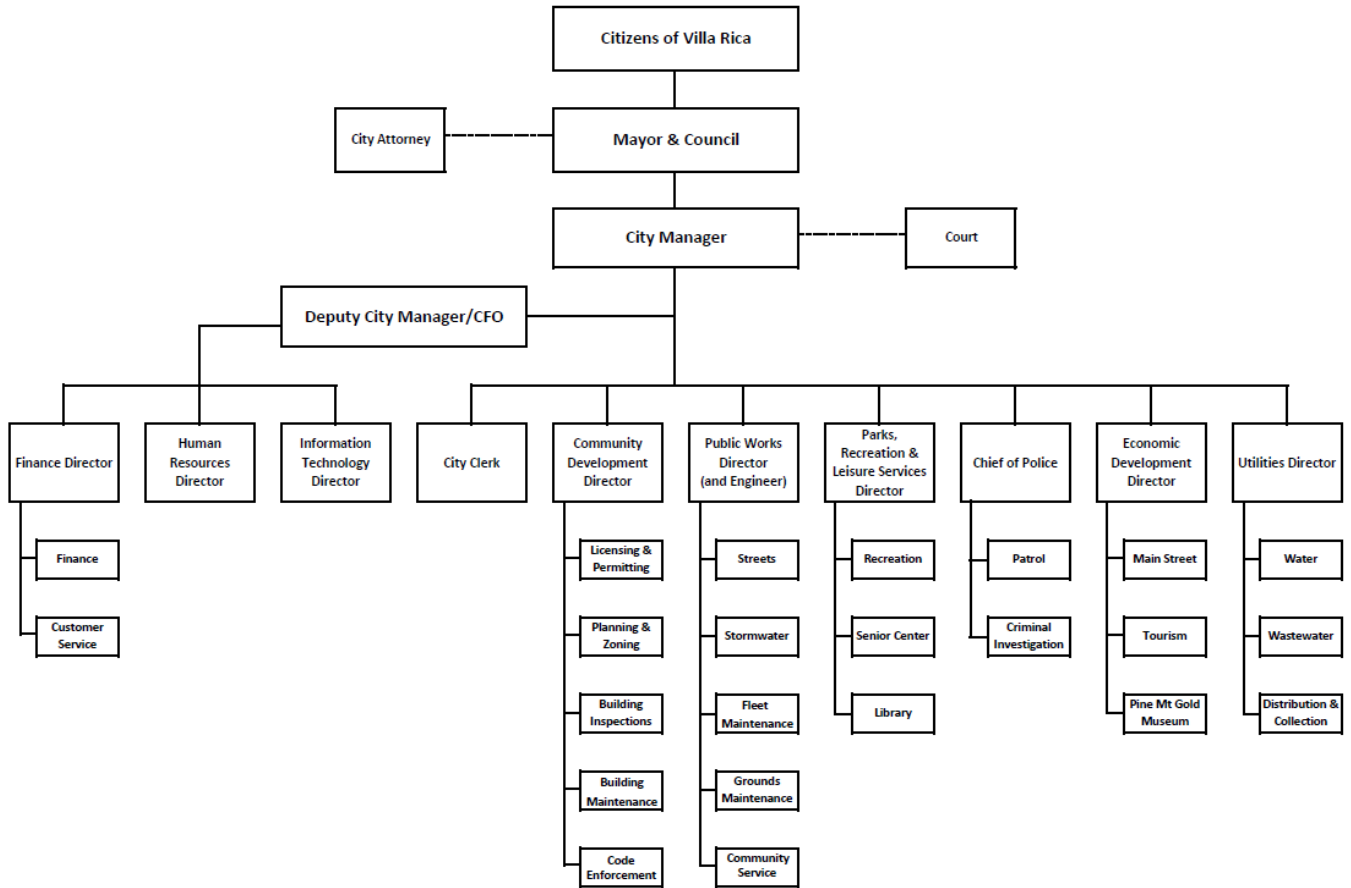
September 30, 2022

Christopher P. Morrell

Executive Director/CEO

CITY OF VILLA RICA, GEORGIA

ORGANIZATIONAL CHART FOR THE YEAR ENDED SEPTEMBER 30, 2023



CITY OF VILLA RICA, GEORGIA
ELECTED OFFICIALS
FOR THE YEAR ENDED SEPTEMBER 30, 2023



Gil McDougal, *Mayor*
Shirley Marchman, *Ward 1*
Matthew Momtahan, *Ward 2*
Leslie McPherson, *Ward 3*
Anna McCoy, *Ward 4*
Danny Carter, *Ward 5*

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Villa Rica, Georgia** (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Villa Rica, Georgia, as of September 30, 2023, and the respective changes in financial position, and where applicable, cashflows thereof, and the budgetary comparison for the General Fund, the Eastside TAD Project Fund and the Villa Rica Public Facilities Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds as required by the Official Code of Georgia 48-8-121, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the City of Villa Rica, Georgia (the "City") provides an introduction to the basic financial statements for the fiscal period ended September 30, 2023. Management prepared this discussion that should be read in conjunction with the basic financial statements, footnotes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Villa Rica exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$87,009,744 (net position). Of this amount, the unrestricted portion is (\$10,108,173).
- The City's total net position increased by \$6,330,776 compared to the prior year. The City's operations increased the governmental activities by \$6,710,502 and decreased the business-type activities by \$379,726.
- At the close of fiscal year 2023, the City of Villa Rica's governmental funds reported combined ending fund balances of \$41,049,759.
- At the end of fiscal year 2023, the unassigned fund balance for the General Fund was \$9,482,154 or 56% of the total General Fund expenditures.
- At the end of fiscal year 2023, unrestricted net position for the Enterprise Funds was \$8,346,637 or 91% of the total Proprietary Fund expenditures, excluding the transfer for the bond payment.
- Overall, the City continues to maintain a strong financial position.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. They are designed to provide the readers with a broad overview of the City's finances, in a manner similar to private-sector business.

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

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

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

The government-wide financial statements are presented on pages 17-19 of this report.

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

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

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

The City maintains sixteen (16) governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Eastside TAD Project Fund, 2021 SPLOST Fund, and Villa Rica Public Facilities Authority Fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 20-26 of this report.

Proprietary Funds – The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, stormwater and solid waste operations. Internal Service Funds are used to report departments that provide services for other city departments. The City uses an internal service fund to account for its partially self-funded insurance fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 27-29 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-62 of this report.

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this section presents required supplementary information concerning the City's retirement plan. This information can be found on pages 63 and 64 of this report.

Component Units – The City's two discretely presented component units are the Villa Rica Industrial Development Authority and Villa Rica Downtown Development Authority. Financial information about these component units can be found on pages 83-86 of this report.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The City's net position at the close of fiscal year 2023 increased 7.83% from \$80,678,968 at September 30, 2022 to \$87,009,744 at September 30, 2023.

The largest portion of the City's net position at September 30, 2023 (\$80,686,719) reflects its investment in capital assets (e.g., land, buildings machinery and equipment, less any outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that revenue sources needed to pay this debt must be provided from other sources, since capital assets themselves are not planned to be used to liquidate these liabilities.

An additional portion of the City's net position (\$16,431,198) represents resources that are subject to external restrictions on how they may be used. The unrestricted portion of net position is (\$10,108,173).

Following are summaries of the City's Statement of Net Position and Changes in Net Position.

(This page is continued on the subsequent page)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 45,003,096	\$ 23,203,759	\$ 10,192,830	\$ 11,653,719	\$ 55,195,926	\$ 34,857,478
Capital assets	33,364,567	27,251,203	58,332,964	53,534,607	91,697,531	80,785,810
Total Assets	78,367,663	50,454,962	68,525,794	65,188,326	146,893,457	115,643,288
Deferred outflows of resources	2,782,165	2,468,760	367,780	216,919	3,149,945	2,685,679
Total deferred outflows of resources	2,782,165	2,468,760	367,780	216,919	3,149,945	2,685,679
Current liabilities	2,526,346	1,593,783	1,455,751	1,232,742	3,982,097	2,826,525
Long-term liabilities	54,480,583	33,160,057	4,491,827	635,975	58,972,410	33,796,032
Total Liabilities	57,006,929	34,753,840	5,947,578	1,868,717	62,954,507	36,622,557
Deferred inflows of resources	62,205	799,690	16,946	227,752	79,151	1,027,442
Total deferred inflows of resources	62,205	799,690	16,946	227,752	79,151	1,027,442
Net Position:						
Net investment in capital assets	26,104,306	27,007,898	54,582,413	53,233,962	80,686,719	50,068,971
Restricted	16,431,198	11,082,384	-	-	16,431,198	11,082,384
Unrestricted	(18,454,810)	(20,720,090)	8,346,637	10,074,814	(10,108,173)	19,527,613
Total Net Position	\$ 24,080,694	\$ 17,370,192	\$ 62,929,050	\$ 63,308,776	\$ 87,009,744	\$ 80,678,968

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

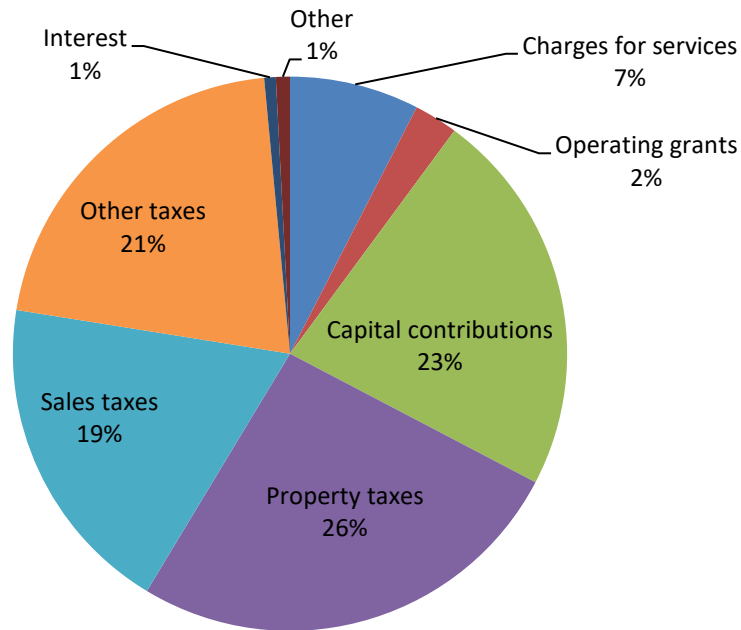
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues:						
Charges for services	\$ 1,774,730	\$ 1,744,996	\$ 11,948,240	\$ 10,879,377	\$ 13,722,970	\$ 12,624,373
Operating grants	598,633	444,962	-	-	598,633	444,962
Capital contributions	5,296,587	9,386,858	-	585,445	5,296,587	9,972,303
General revenues:						
Property taxes	6,092,903	5,236,509	-	-	6,092,903	5,236,509
Sales taxes	4,432,976	3,964,238	-	-	4,432,976	3,964,238
Other taxes	4,925,546	4,510,341	-	-	4,925,546	4,510,341
Interest	157,795	25,554	329,712	71,979	487,507	97,533
Other	191,876	159,336	36,912	10,204	228,788	169,540
Total revenues	23,471,046	25,472,794	12,314,864	11,547,005	35,785,910	37,019,799
Expenses:						
General government	3,562,822	3,051,053	-	-	3,562,822	3,051,053
Judicial	212,384	211,759	-	-	212,384	211,759
Public safety	6,220,676	5,933,902	-	-	6,220,676	5,933,902
Public works	3,319,711	3,258,183	-	-	3,319,711	3,258,183
Health and welfare	282,199	256,862	-	-	282,199	256,862
Culture and recreation	3,131,009	2,951,829	-	-	3,131,009	2,951,829
Housing/Economic Developm.	1,709,264	1,755,540	-	-	1,709,264	1,755,540
Interest	1,866,338	1,235,216	-	-	1,866,338	1,235,216
Water and sewer	-	-	7,241,407	6,939,504	7,241,407	6,939,504
Solid waste	-	-	1,656,123	1,473,408	1,656,123	1,473,408
Stormwater	-	-	253,201	207,417	253,201	207,417
Total expenses	20,304,403	18,654,344	9,150,731	8,620,329	29,455,134	27,274,673
Increase in net position before transfers	3,166,643	6,818,450	3,164,133	2,926,676	6,330,776	9,745,126
Transfers	3,543,859	(3,048,616)	(3,543,859)	3,048,616	-	-
Increase (decrease) in net position	6,710,502	3,769,834	(379,726)	5,975,292	6,330,776	9,745,126
Net Position, October 1	17,370,192	13,600,358	63,308,776	57,333,484	80,678,968	70,933,842
Net Position, September 30	\$ 24,080,694	\$ 17,370,192	\$ 62,929,050	\$ 63,308,776	\$ 87,009,744	\$ 80,678,968

Governmental Activities

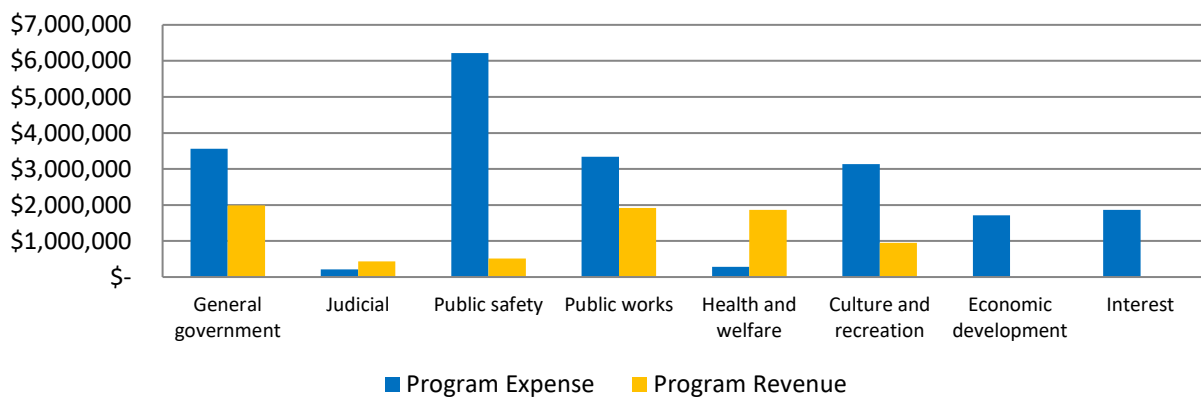
The City's governmental activities are heavily reliant on property taxes, sales taxes and other taxes to support operations. Property taxes provided 26% of revenues, sales taxes provided 19% and other taxes provided 21%. As a result, the general economy and the local businesses have a major impact on the City's revenue streams. Program revenues cover 37% of governmental expenses with capital contributions being the largest revenue in this category at 69%.

Governmental Activities - Revenues by Source



The table below presents the cost of each of the City's programs and the related program revenues. The difference between the expenses and the program revenues show the financial burden placed on the City's taxpayers by each of these functions.

Expenses and Program Revenues - Governmental Activities



The most significant governmental expense for the City is providing Public Safety services such as the police department. This comprises \$6,220,676 (31%) of the total governmental expense. The next two significant governmental expenses are Public Works totaling \$3,319,711 (16%) and General Government totaling \$3,562,822 (18%) of governmental expenses:

- The cost for all governmental activity for the year was \$20,304,403 compared to \$18,654,344 in the previous year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

- The revenue amount paid for most of these activities came from the general revenues of the City such as property taxes, sales taxes and business taxes (\$15,801,096).
- Some of the costs were paid by those benefiting directly from the programs (\$1,774,730) and subsidies from other governments and organizations through grants and/or contributions (\$5,895,220).

Business-Type Activities

The cost of all Business-Type activities in 2023 was \$9,150,731. The amounts paid by the users of the systems were \$11,948,240 and additionally the business-type activities earned \$366,624 from other revenues.

With the activity from the year, the net position at September 30, 2023 for business-type activities was \$62,929,050.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. The information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental Funds

Governmental funds reported ending fund balance of \$41,049,759. Of this year end total, \$9,482,154 is unassigned indicating availability for continuing service requirements.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, fund balance of the General Fund was \$10,883,247. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance (\$9,482,154) to total fund expenditures. Unassigned fund balance represents 56% total General Fund expenditures.

Total General Fund revenues for the period ending September 30th were \$17,941,354 which is an increase of \$2,356,397 (15.1%) compared to 2022. General property taxes increased \$856,394 (16%) compared to 2022 due to digest growth and maintaining the millage rate at 6.25 mills. Local Option Sales Tax (LOST) increased \$468,738 (11.8%) due to the economy. In 2013, the State of Georgia implemented a title ad valorem tax (TAVT) which replaced sales tax on vehicle purchases and became a one-time tax as an alternative to the "birthday" tax for vehicle tag purchases. TAVT experienced an increase of \$72,688 (9.7%) compared to 2022.

License and permit fees increased in 2023 compared to 2022 by \$91,234 (17%). This was due to an increase in development. Intergovernmental revenue experienced a \$154,054 (37%) increase due to state and federal grants for the nutrition program. Charges for services realized an increase because of sidewalk fees, park programs, museum fees and library fees.

Total expenditures increased by \$1,518,594 (10%). General government experienced an increase of \$568,204 (20%). This was primarily due to professional services and additional personnel due to the many projects the City is managing. Public Works increased \$241,746 (9%) due to some restructuring.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

General Fund's Net Change in Fund Balance

	2023	2022	Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Taxes	\$ 14,984,309	\$ 13,244,402	\$ 1,739,907	13.1%
Licenses and permits	617,461	526,227	91,234	17.3%
Intergovernmental	566,081	412,027	154,054	37.4%
Fines and fees	354,145	516,187	(162,042)	-31.4%
Charges for services	756,277	625,827	130,450	20.8%
Interest income	453,531	68,016	385,515	566.8%
Other revenue	209,550	192,271	17,279	9.0%
Total revenues	<u>17,941,354</u>	<u>15,584,957</u>	<u>2,356,397</u>	<u>15.1%</u>
Expenses:				
General government	3,443,863	2,875,659	568,204	19.8%
Judicial	219,729	221,022	(1,293)	-0.6%
Public safety	5,905,247	5,559,011	346,236	6.2%
Public works	2,900,490	2,658,744	241,746	9.1%
Health and welfare	285,136	261,956	23,180	8.8%
Culture and recreation	2,642,958	2,308,615	334,343	14.5%
Economic development	1,399,690	1,393,512	6,178	0.4%
Debt service	-	-	-	
Capital outlay	-	-	-	
Total expenditures	<u>16,797,113</u>	<u>15,278,519</u>	<u>1,518,594</u>	<u>9.9%</u>
Other financing sources (uses)				
Transfers in	1,652,607	7,586,106	(5,933,499)	-78.2%
Transfers out	(1,717,507)	(6,793,842)	5,076,335	-74.7%
Proceeds from sale of assets	<u>63,135</u>	<u>-</u>	<u>63,135</u>	
Net change in fund balance	1,142,476	1,098,702	43,774	4.0%
Fund Balance, beginning of year	9,740,771	8,642,069	1,098,702	12.7%
Fund Balance, end of year	<u>\$ 10,883,247</u>	<u>\$ 9,740,771</u>	<u>\$ 1,142,476</u>	<u>11.7%</u>

In 2023, the Eastside Tax Allocation District (TAD) Project Fund was created. The Villa Rica Urban Redevelopment Agency issued bonds totaling \$20,985,000 for road and utility construction projects within the special district. These large developments will generate enough property tax to cover the annual debt service payments as well as generate other revenue for the City.

2021 Carroll SPLOST Fund was created in May 2021. The City entered into an intergovernmental agreement with Carroll County to participate in the issuance of General Obligation Sales Tax Bonds, Series 2021 in the amount of \$40,000,000. The City's portion of the debt was \$4,000,000 which will be paid first from the City's share of sales and use tax proceeds. The City received \$4.5 million in bond proceeds (including bond premium). Additional sales tax proceeds are received after the annual debt service is fully funded. In FY23, the additional taxes were \$1,339,801. The City continues to collect the sales tax

dollars from the County and is building the fund balance to pay for future road, park and economic development capital projects. These funds now totaling (\$7,708,779) are in restricted fund balance as of September 30, 2023.

The Villa Rica Public Facilities Fund is used for revenue bonds which were for the construction of the wastewater treatment plant on the Northwest side of the City. The expenditures totaled \$2,404,705 in 2023 and were matched with an operating transfer from the Water and Sewer Fund.

Proprietary Funds

The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Operating revenues were 10% higher than the prior year due to a water volume rate increase of 5% as well as a sanitation rate increase of 5% and an increase in tap fees. Operating expenses were 6% higher due to an increase in maintenance expenses, professional services, and landfill tipping fees in 2023 compared to 2022.

BUDGETARY HIGHLIGHTS

The General Fund's 2023 final approved revenue budget was \$17,331,018. The City collected \$610,336 more than the approved revenue budget. Actual tax revenue was \$661,403 more than budgeted. Local Option Sales Tax (LOST), Real property taxes, and Title Ad Valorem Tax (TAVT) revenues were the main contributors to this increase at \$173,115, \$14,258, and \$121,175 respectively. These revenues helped offset License and Permits and Fines and Fees revenue being under budget by \$777,744.

The General Fund's final approved expenditure budget was \$18,428,004. The City expended 91% of the final approved expenditure budget. The General Fund actual expenditures were \$1,630,891 less than budgeted. Public Safety was under budget by \$608,604 primarily due to staff vacancies as well as timing of equipment purchases/payments because of delayed shipping. Public Works was under budget by \$335,434 due to a staff vacancy and repaving projects not completed and paid by end of the fiscal year. Staff reorganization and vacancies are reasons why Culture and Recreation was under budget by \$226,862. See page 23 and 24 for more information about the General Fund budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

General Fund's Budget and Actual Comparison

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Taxes	\$ 13,988,174	\$ 14,322,906	\$ 14,984,309	\$ 661,403
Licenses and permits	1,230,350	1,230,350	617,461	(612,889)
Intergovernmental	447,790	494,812	566,081	71,269
Fines and fees	519,000	519,000	354,145	(164,855)
Charges for services	557,150	573,950	756,277	182,327
Interest income	55,000	55,000	453,531	398,531
Other revenue	134,000	135,000	209,550	74,550
Total revenues	16,931,464	17,331,018	17,941,354	610,336
Expenses:				
General government	3,374,817	3,690,243	3,443,863	246,380
Judicial	237,697	238,397	219,729	18,668
Public safety	6,297,498	6,513,851	5,905,247	608,604
Public works	3,226,448	3,235,924	2,900,490	335,434
Health and welfare	300,113	301,337	285,136	16,201
Culture and recreation	2,808,909	2,869,820	2,642,958	226,862
Economic development	1,556,526	1,578,432	1,399,690	178,742
Total expenditures	17,802,008	18,428,004	16,797,113	1,630,891
Other financing sources (uses)				
Transfers in	1,589,631	1,636,217	1,652,607	16,390
Transfers out	(1,302,013)	(1,989,369)	(1,717,507)	271,862
Proceeds from sale of assets	15,000	15,000	63,135	48,135
Net change in fund balance	(567,926)	(1,435,138)	1,142,476	2,577,614
Fund Balance, beginning of year	9,740,771	9,740,771	9,740,771	-
Fund Balance, end of year	\$ 9,172,845	\$ 8,305,633	\$ 10,883,247	\$ 2,577,614

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation and related debt, for governmental and business-type activities as September 30, 2023, was \$33,364,567 and \$58,332,964 respectively. The major changes to capital for 2023 were:

Governmental Activities:

- \$5,204,916 was spent on the Villa Rica Parkway and Mirror Lake Connector. This project is currently in progress and not complete.
- The City purchased 4 patrol explorer vehicles and necessary equipment for a cost of \$199,697.
- The carwash was built at the Avanti building for a cost of \$102,425.
- An additional \$143,136 was spent to put the new Courthouse/PD back-up generator in service.
- The Public Works Offices at Avanti and the Mainstreet Green Room were completed at a cost of \$77,605.

Business-Type Activities:

- \$176,841 was spent on upgrades to SCADA systems at lift stations.
- \$988,889 was spent on ductile iron pipe to be used on multiple projects. The projects include North Bypass utilities relocation, the Conner's Rd utilities relocation for the proposed roundabout at Hwy 78, and the North Avenue waterline extension.
- A third rotary screen was added at the West Plant Influent at a cost of \$309,200.
- New meters were purchased for \$51,240.
- Wastewater spent an additional \$226,458 on the manhole rehabilitation project that includes lining manholes with a membrane to keep stormwater from entering the wastewater treatment facilities.
- Lift station pumps and control panels at various lift stations were replaced for a total cost of \$77,243.

At September 30, 2023, the depreciable capital assets for governmental activities were 50% depreciated. The business-type activities were 36% depreciated.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 3,961,152	\$ 2,782,326	\$ 2,157,452	\$ 2,157,452	\$ 6,118,604	\$ 4,939,778
Construction in progress	7,948,257	2,251,880	6,632,132	2,021,566	14,580,389	4,273,446
Site Improvements	5,192,638	5,416,153	67,639	29,719	5,260,277	5,445,872
Infrastructure	9,254,252	9,518,385	21,899,246	20,415,463	31,153,498	29,933,848
Buildings	5,499,875	5,426,504	26,214,715	27,182,057	31,714,590	32,608,561
Machinery and equipment	1,508,393	1,855,955	1,361,780	1,728,350	2,870,173	3,584,305
Total	\$ 33,364,567	\$ 27,251,203	\$ 58,332,964	\$ 53,534,607	\$ 91,697,531	\$ 80,785,810

For more information on the changes in capital assets, see Note 6.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2023

City of Villa Rica, Georgia

Debt Administration

At the end of the fiscal year, the City had total bonded debt outstanding of \$51,655,000. In 2022, the Public Facilities Authority issued \$31,880,000 in bonds for the purpose of refunding the Series 2015 bonds. These bonds had an outstanding balance of \$30,670,000 as of the end of fiscal year 2023. These are revenue bonds but are backed by the ad valorem tax revenues of the General Fund. Also, the Urban Redevelopment Agency issued \$20,985,000 in bonds for road and utility construction projects in September 2023.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Bonds Payable	\$ 51,655,000	\$ 31,880,000	\$ -	\$ -	\$ 51,655,000	\$ 31,880,000
Plus: Premiums	-	-	-	-	-	-
Compensated absences	299,342	274,858	53,062	49,048	352,404	323,906
Net Pension Liability	2,526,241	1,005,199	688,214	286,282	3,214,455	1,291,481
Capital lease agreement	-	-	-	-	-	-
Notes payable	-	-	3,750,551	300,645	3,750,551	300,645
Total Outstanding Debt	\$ 54,480,583	\$ 33,160,057	\$ 4,491,827	\$ 635,975	\$ 58,972,410	\$ 33,796,032

For more information on the long-term debt, see Note 8 to the financial statements.

ECONOMIC FACTORS

The City's elected and appointed officials considered many factors when adopting the 2023 budget, tax rates and fees that will be charged for the business-type activities. One of those factors is the economy. The trends for the City of Villa Rica have shown growth in the economy as the City is seeing a steady flow of new residential housing permit applications. There are several companies contacting the City about relocating or expanding their footprint in Villa Rica.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the City of Villa Rica's finances for all those with an interest in the City's finances. If you have any questions about this report or need any additional information, contact the Finance Department at 571 W. Bankhead Highway, Villa Rica, Georgia 30180, or call 770-459-7000. A copy of this document is available on the City's website at www.villarica.gov.

CITY OF VILLA RICA, GEORGIA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

ASSETS	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Villa Rica Industrial Development Authority	Villa Rica Downtown Development Authority
Cash and cash equivalents	\$ 41,628,537	\$ 5,505,008	\$ 47,133,545	\$ 364,067	\$ 45,628
Investments	-	-	-	700,991	-
Receivables (net of allowance for uncollectibles)	2,675,695	4,503,980	7,179,675	1,971	-
Taxes receivable	29,632	-	29,632	-	-
Internal balances	-	-	-	-	-
Due from component units	206,100	-	206,100	-	-
Inventories	45,462	158,857	204,319	-	-
Prepaid items	417,670	24,985	442,655	-	-
Capital assets, nondepreciable	11,909,409	8,789,584	20,698,993	105,525	-
Capital assets, depreciable, net of accumulated depreciation	21,455,158	49,543,380	70,998,538	124,410	-
Total assets	78,367,663	68,525,794	146,893,457	1,296,964	45,628
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	1,432,147	-	1,432,147	-	-
Pension related items	1,350,018	367,780	1,717,798	-	-
Total deferred outflows of resources	2,782,165	367,780	3,149,945	-	-
LIABILITIES					
Accounts payable	1,472,160	661,182	2,133,342	105	179
Accrued liabilities	421,873	39,251	461,124	-	-
Retainage payable	470,812	-	470,812	-	-
Customer deposits payable	-	755,318	755,318	-	-
Claims payable	161,501	-	161,501	-	-
Noncurrent liabilities due within one year					
Compensated absences payable	71,616	32,337	103,953	-	-
Bonds payable	1,325,000	-	1,325,000	-	-
Noncurrent liabilities due in more than one year					
Due to primary government	-	-	-	157,100	49,000
Compensated absences payable	227,726	20,725	248,451	-	-
Notes payable	-	3,750,551	3,750,551	-	-
Bonds payable	50,330,000	-	50,330,000	-	-
Net pension liability	2,526,241	688,214	3,214,455	-	-
Total liabilities	57,006,929	5,947,578	62,954,507	157,205	49,179
DEFERRED INFLOWS OF RESOURCES					
Pension related items	62,205	16,946	79,151	-	-
Total deferred inflows of resources	62,205	16,946	79,151	-	-
NET POSITION					
Net investment in capital assets	26,104,306	54,582,413	80,686,719	229,935	-
Restricted for:					
Economic development	107,076	-	107,076	909,824	-
Capital projects	15,907,971	-	15,907,971	-	-
Public safety	416,151	-	416,151	-	-
Unrestricted	(18,454,810)	8,346,637	(10,108,173)	-	(3,551)
Total net position	\$ 24,080,694	\$ 62,929,050	\$ 87,009,744	\$ 1,139,759	\$ (3,551)

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

CITY OF VILLA RICA, GEORGIA

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 3,562,822	\$ 57,238	\$ 373,326	\$ 1,556,213
Judicial	212,384	435,198	-	-
Public safety	6,220,676	13,854	111,046	387,379
Public works	3,319,711	6,310	107,186	1,803,487
Health and welfare	282,199	698,669	7,075	1,162,129
Culture and recreation	3,131,009	563,461	-	387,379
Housing and economic development	1,709,264	-	-	-
Interest and fiscal charges	1,866,338	-	-	-
Total governmental activities	20,304,403	1,774,730	598,633	5,296,587
Business-type activities:				
Water and sewer	7,241,407	10,237,338	-	-
Solid waste	1,656,123	1,710,902	-	-
Stormwater	253,201	-	-	-
Total business-type activities	9,150,731	11,948,240	-	-
Total primary government	\$ 29,455,134	\$ 13,722,970	\$ 598,633	\$ 5,296,587
Component units:				
Villa Rica Industrial Development Authority	\$ 47,313	\$ -	\$ -	\$ -
Villa Rica Downtown Development Authority	45,085	-	-	1,865
Total component units	\$ 92,398	\$ -	\$ -	\$ 1,865

General revenues:

- Property taxes
- Sales and use taxes
- Franchise taxes
- Hotel/motel taxes
- Alcohol taxes
- Insurance premium tax
- Other taxes
- Unrestricted investment earnings
- Gain on sale of assets
- Miscellaneous

Transfers

- Total general revenues and transfers
- Change in net position
- Net position, beginning of year
- Net position, end of year

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Villa Rica Industrial Development Authority	Villa Rica Downtown Development Authority
\$ (1,576,045)	\$ -	\$ (1,576,045)	\$ -	\$ -
222,814	-	222,814	-	-
(5,708,397)	-	(5,708,397)	-	-
(1,402,728)	-	(1,402,728)	-	-
1,585,674	-	1,585,674	-	-
(2,180,169)	-	(2,180,169)	-	-
(1,709,264)	-	(1,709,264)	-	-
(1,866,338)	-	(1,866,338)	-	-
(12,634,453)	-	(12,634,453)	-	-
-	2,995,931	2,995,931	-	-
-	54,779	54,779	-	-
-	(253,201)	(253,201)	-	-
-	2,797,509	2,797,509	-	-
(12,634,453)	2,797,509	(9,836,944)	-	-
-	-	-	(47,313)	-
-	-	-	-	(43,220)
\$ -	\$ -	\$ -	\$ (47,313)	\$ (43,220)
\$ 6,092,903	\$ -	\$ 6,092,903	\$ -	\$ -
4,432,976	-	4,432,976	-	-
1,586,706	-	1,586,706	-	-
468,692	-	468,692	-	-
289,173	-	289,173	-	-
1,506,161	-	1,506,161	-	-
1,074,814	-	1,074,814	-	-
157,795	329,712	487,507	-	-
14,878	27,431	42,309	-	-
176,998	9,481	186,479	25,249	232
3,543,859	(3,543,859)	-	-	-
19,344,955	(3,177,235)	16,167,720	25,249	232
6,710,502	(379,726)	6,330,776	(22,064)	(42,988)
17,370,192	63,308,776	80,678,968	1,161,823	39,437
\$ 24,080,694	\$ 62,929,050	\$ 87,009,744	\$ 1,139,759	\$ (3,551)

CITY OF VILLA RICA, GEORGIA

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

ASSETS	General	Eastside TAD Project Fund	2021 SPLOST Fund	Villa Rica Public Facilities Authority Fund	Nonmajor Governmental Funds	Total
Cash and cash equivalents	\$ 9,304,830	\$ 14,447,829	\$ 7,708,779	\$ -	\$ 8,424,891	\$ 39,886,329
Receivables (net of allowance for uncollectibles)	2,275,528	6,219	-	-	391,318	2,673,065
Taxes receivable, net	29,632	-	-	-	-	29,632
Due from component unit	206,100	-	-	-	-	206,100
Due from other funds	57,760	-	-	-	1,110	58,870
Inventories	45,462	-	-	-	-	45,462
Prepaid items	416,670	-	-	-	1,000	417,670
Total assets	<u>\$ 12,335,982</u>	<u>\$ 14,454,048</u>	<u>\$ 7,708,779</u>	<u>\$ -</u>	<u>\$ 8,818,319</u>	<u>\$ 43,317,128</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 1,183,857	\$ 119,621	\$ 48,314	\$ -	\$ 118,127	\$ 1,469,919
Accrued liabilities	245,896	-	-	-	-	245,896
Retainage payable	-	466,600	4,212	-	-	470,812
Due to other funds	1,264	56,760	-	-	1,000	59,024
Total liabilities	<u>1,431,017</u>	<u>642,981</u>	<u>52,526</u>	<u>-</u>	<u>119,127</u>	<u>2,245,651</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - taxes	21,718	-	-	-	-	21,718
Total deferred inflows of resources	<u>21,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,718</u>
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	416,670	-	-	-	1,000	417,670
Inventories	45,462	-	-	-	-	45,462
Restricted:						
Public safety	-	-	-	-	416,151	416,151
Capital projects	-	13,811,067	7,656,253	-	8,165,390	29,632,710
Economic development	-	-	-	-	107,076	107,076
Committed for promissory note - DDA	500,000	-	-	-	-	500,000
Committed for cemetery improvements	-	-	-	-	9,575	9,575
Assigned:						
Rise N Shine	3,927	-	-	-	-	3,927
Vest Fundraiser	8,260	-	-	-	-	8,260
Project improvement fees	2,340	-	-	-	-	2,340
Sidewalk fees	53,292	-	-	-	-	53,292
General government	72,478	-	-	-	-	72,478
Public safety	15,210	-	-	-	-	15,210
Public works	172,500	-	-	-	-	172,500
Culture and recreation	105,049	-	-	-	-	105,049
Economic development	2,382	-	-	-	-	2,382
Community development	3,523	-	-	-	-	3,523
Unassigned	9,482,154	-	-	-	-	9,482,154
Total fund balances	<u>10,883,247</u>	<u>13,811,067</u>	<u>7,656,253</u>	<u>-</u>	<u>8,699,192</u>	<u>41,049,759</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,335,982</u>	<u>\$ 14,454,048</u>	<u>\$ 7,708,779</u>	<u>\$ -</u>	<u>\$ 8,818,319</u>	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.						33,364,567
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the governmental funds.						21,718
Internal service funds are used by management to charge the costs of providing self-funded insurance to individual governmental funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.						1,581,250
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds.						(50,698,172)
The deferred outflows of resources, deferred inflows of resources, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.						(1,238,428)
Net position of governmental activities						<u>\$ 24,080,694</u>

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

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

	General	Eastside TAD Project Fund	2021 SPLOST Fund	Villa Rica Public Facilities Authority Fund	Nonmajor Governmental Funds	Total
Revenues:						
Taxes	\$ 14,984,309	\$ -	\$ -	\$ -	\$ 468,692	\$ 15,453,001
Licenses and permits	617,461	-	-	-	-	617,461
Intergovernmental	566,081	-	1,339,801	-	1,948,153	3,854,035
Fines and forfeitures	354,145	-	-	-	9,342	363,487
Charges for services	756,277	-	-	-	37,505	793,782
Investment earnings	453,531	6,218	325,986	-	211,863	997,598
Contributions	32,552	-	-	-	-	32,552
Miscellaneous	176,998	-	-	-	-	176,998
Total revenues	<u>17,941,354</u>	<u>6,218</u>	<u>1,665,787</u>	<u>-</u>	<u>2,675,555</u>	<u>22,288,914</u>
Expenditures:						
Current:						
General government	3,443,863	-	-	-	-	3,443,863
Judicial	219,729	-	-	-	-	219,729
Public safety	5,905,247	-	-	-	595	5,905,842
Public works	2,900,490	-	-	-	-	2,900,490
Health and welfare	285,136	-	-	-	-	285,136
Culture and recreation	2,642,958	-	-	-	-	2,642,958
Economic development	1,399,690	-	-	-	331,764	1,731,454
Capital outlay	-	5,204,916	182,693	-	1,242,918	6,630,527
Debt service:						
Principal	-	-	-	1,210,000	-	1,210,000
Interest and fiscal charges	-	-	-	1,194,705	-	1,194,705
Debt issuance costs	-	322,177	-	-	-	322,177
Total expenditures	<u>16,797,113</u>	<u>5,527,093</u>	<u>182,693</u>	<u>2,404,705</u>	<u>1,575,277</u>	<u>26,486,881</u>
Excess (deficiency) of revenues over expenditures	1,144,241	(5,520,875)	1,483,094	(2,404,705)	1,100,278	(4,197,967)
Other financing sources (uses):						
Proceeds from sale of capital assets	63,135	-	-	-	11,604	74,739
Proceeds from issuance of bonds	-	20,985,000	-	-	-	20,985,000
Transfers in	1,652,607	-	-	2,404,705	3,107,743	7,165,055
Transfers out	(1,717,507)	(1,653,058)	-	-	(191,801)	(3,562,366)
Total other financing sources (uses)	<u>(1,765)</u>	<u>19,331,942</u>	<u>-</u>	<u>2,404,705</u>	<u>2,927,546</u>	<u>24,662,428</u>
Net change in fund balances	1,142,476	13,811,067	1,483,094	-	4,027,824	20,464,461
Fund balances, beginning of year	<u>9,740,771</u>	<u>-</u>	<u>6,173,159</u>	<u>-</u>	<u>4,671,368</u>	<u>20,585,298</u>
Fund balances, end of year	<u>\$ 10,883,247</u>	<u>\$ 13,811,067</u>	<u>\$ 7,656,253</u>	<u>\$ -</u>	<u>\$ 8,699,192</u>	<u>\$ 41,049,759</u>

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

CITY OF VILLA RICA, 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 SEPTEMBER 30, 2023

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

Net change in fund balances - total governmental funds	\$ 20,464,461
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.	5,004,395
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) are not reported in the governmental funds.	1,108,969
Internal service funds are used by management to charge the costs of self-funded insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.	478,381
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(1,576)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the debt service payments on the long-term debt and related items.	(19,775,000)
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.	(569,128)
Change in net position - governmental activities	\$ <u>6,710,502</u>

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

CITY OF VILLA RICA, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 13,988,174	\$ 14,322,906	\$ 14,984,309	\$ 661,403
Licenses and permits	1,230,350	1,230,350	617,461	(612,889)
Intergovernmental	447,790	494,812	566,081	71,269
Fines and forfeitures	519,000	519,000	354,145	(164,855)
Charges for services	557,150	573,950	756,277	182,327
Investment earnings	55,000	55,000	453,531	398,531
Contributions	30,000	31,000	32,552	1,552
Miscellaneous	104,000	104,000	176,998	72,998
Total revenues	16,931,464	17,331,018	17,941,354	610,336
Expenditures:				
Current:				
General government:				
General administration	555,583	568,513	413,667	154,846
City manager	760,280	845,690	845,689	1
City administration	168,578	172,295	116,364	55,931
Finance	511,239	513,163	507,459	5,704
Legal	127,000	231,563	231,562	1
IT	349,452	425,062	425,061	1
Human resources	352,915	373,543	373,542	1
Customer service	549,770	560,414	530,519	29,895
Total general government	3,374,817	3,690,243	3,443,863	246,380
Judicial	237,697	238,397	219,729	18,668
Public safety:				
Police department	6,285,998	6,488,783	5,882,462	606,321
Custody of prisoners	11,500	25,068	22,785	2,283
Total public safety	6,297,498	6,513,851	5,905,247	608,604
Public works:				
Public works department	1,636,655	1,656,970	1,395,836	261,134
Garage	776,801	760,986	718,768	42,218
Administrative community services	812,992	817,968	785,886	32,082
Total public works	3,226,448	3,235,924	2,900,490	335,434
Health and welfare	300,113	301,337	285,136	16,201
Culture and recreation:				
Recreation	1,754,608	1,806,725	1,656,271	150,454
Mountain gold museum	503,500	506,930	430,523	76,407
Library	550,801	556,165	556,164	1
Total health and welfare	2,808,909	2,869,820	2,642,958	226,862

(continued)

CITY OF VILLA RICA, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance
	Original	Final	Actual	with Final Budget
Housing and economic development:				
Protective inspection	\$ 199,581	\$ 200,281	\$ 196,169	\$ 4,112
Planning and zoning	684,416	686,569	574,867	111,702
Code enforcement	196,358	198,601	183,811	14,790
Economic development	75,000	75,000	75,000	-
Main street	401,171	417,981	369,843	48,138
Total housing and economic development	<u>1,556,526</u>	<u>1,578,432</u>	<u>1,399,690</u>	<u>178,742</u>
Total expenditures	<u>17,802,008</u>	<u>18,428,004</u>	<u>16,797,113</u>	<u>1,630,891</u>
Excess (deficiency) of revenues over expenditures	(870,544)	(1,096,986)	1,144,241	2,241,227
Other financing sources (uses):				
Proceeds from sale of capital assets	15,000	15,000	63,135	48,135
Transfers in	1,589,631	1,636,217	1,652,607	16,390
Transfers out	(1,302,013)	(1,989,369)	(1,717,507)	271,862
Total other financing sources (uses)	<u>302,618</u>	<u>(338,152)</u>	<u>(1,765)</u>	<u>336,387</u>
Net change in fund balances	(567,926)	(1,435,138)	1,142,476	2,577,614
Fund balance, beginning	9,740,771	9,740,771	9,740,771	-
Fund balance, ending	<u>\$ 9,172,845</u>	<u>\$ 8,305,633</u>	<u>\$ 10,883,247</u>	<u>\$ 2,577,614</u>

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

CITY OF VILLA RICA, GEORGIA
EASTSIDE TAD PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 6,218	\$ 6,218
Total revenues	-	-	6,218	6,218
Expenditures:				
Capital outlay	19,000,000	19,000,000	5,204,916	13,795,084
Debt service - issuance costs	331,942	331,942	322,177	9,765
Total expenditures	19,331,942	19,331,942	5,527,093	13,804,849
Deficiency of revenues over expenditures	(19,331,942)	(19,331,942)	(5,520,875)	13,811,067
Other financing sources (uses):				
Proceeds from bond issuance	20,985,000	20,985,000	20,985,000	-
Transfers out	(1,653,058)	(1,653,058)	(1,653,058)	-
Total other financing sources (uses)	19,331,942	19,331,942	19,331,942	-
Net change in fund balances	-	-	13,811,067	13,811,067
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 13,811,067	\$ 13,811,067

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

CITY OF VILLA RICA, GEORGIA
VILLA RICA PUBLIC FACILITIES AUTHORITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Debt service:				
Principal	1,210,000	1,210,000	1,210,000	-
Interest and fiscal charges	1,194,705	1,194,705	1,194,705	-
Total expenditures	2,404,705	2,404,705	2,404,705	-
Deficiency of revenues over expenditures	(2,404,705)	(2,404,705)	(2,404,705)	-
Other financing sources (uses):				
Proceeds from issuance of bonds	-	-	-	-
Payment to escrow agent	-	-	-	-
Transfers in	2,404,705	2,404,705	2,404,705	-
Total other financing sources (uses)	2,404,705	2,404,705	2,404,705	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF VILLA RICA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business-type Activities				Governmental Activities
	Water and Sewer	Solid Waste	Nonmajor Stormwater Fund	Total Enterprise Funds	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 4,080,255	\$ 235,845	\$ 1,188,908	\$ 5,505,008	\$ 1,742,208
Receivables (net of allowance for uncollectibles)	4,312,443	191,537	-	4,503,980	2,630
Due from other funds	-	-	-	-	154
Inventory	158,857	-	-	158,857	-
Prepaid items	24,985	-	-	24,985	-
Total current assets	8,576,540	427,382	1,188,908	10,192,830	1,744,992
Noncurrent assets:					
Capital assets:					
Capital assets, not being depreciated	8,740,708	-	48,876	8,789,584	-
Capital assets, being depreciated	76,496,272	642,354	595,386	77,734,012	-
Less accumulated depreciation	(27,736,462)	(380,916)	(73,254)	(28,190,632)	-
Total noncurrent assets	57,500,518	261,438	571,008	58,332,964	-
Total assets	66,077,058	688,820	1,759,916	68,525,794	1,744,992
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	300,271	47,370	20,139	367,780	-
Total deferred outflows of resources	300,271	47,370	20,139	367,780	-
LIABILITIES					
Current liabilities:					
Accounts payable	549,120	106,845	5,217	661,182	2,241
Accrued expenses	33,429	3,616	2,206	39,251	-
Customer deposits payable	755,318	-	-	755,318	-
Claims payable	-	-	-	-	161,501
Compensated absences, current	32,337	-	-	32,337	-
Total current liabilities	1,370,204	110,461	7,423	1,488,088	163,742
Long-term liabilities:					
Compensated absences, long term	8,084	7,091	5,550	20,725	-
Notes payable	3,750,551	-	-	3,750,551	-
Net pension liability	561,886	88,642	37,686	688,214	-
Total long-term liabilities	4,320,521	95,733	43,236	4,459,490	-
Total liabilities	5,690,725	206,194	50,659	5,947,578	163,742
DEFERRED INFLOWS OF RESOURCES					
Pension related items	13,836	2,182	928	16,946	-
Total deferred inflows of resources	13,836	2,182	928	16,946	-
NET POSITION					
Net investment in capital assets	53,749,967	261,438	571,008	54,582,413	-
Unrestricted	6,922,801	266,376	1,157,460	8,346,637	1,581,250
Total net position	\$ 60,672,768	\$ 527,814	\$ 1,728,468	\$ 62,929,050	\$ 1,581,250

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Business-type Activities				Governmental Activities
	Water and Sewer	Solid Waste	Nonmajor Stormwater Fund	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 9,985,160	\$ 1,710,902	\$ -	\$ 11,696,062	\$ 2,323,032
Other fees	252,178	-	-	252,178	-
Miscellaneous	2,092	7,389	-	9,481	-
Total operating revenues	10,239,430	1,718,291	-	11,957,721	2,323,032
OPERATING EXPENSES					
Personnel services and benefits	2,207,057	326,551	149,876	2,683,484	-
Purchased contract services	726,718	1,195,985	-	1,922,703	514,680
Supplies and maintenance	2,461,985	49,334	66,530	2,577,849	-
Depreciation	1,843,189	84,253	36,795	1,964,237	-
Claims	-	-	-	-	1,248,565
Other services and charges	-	-	-	-	22,576
Total operating expenses	7,238,949	1,656,123	253,201	9,148,273	1,785,821
Operating income (loss)	3,000,481	62,168	(253,201)	2,809,448	537,211
NONOPERATING REVENUES (EXPENSES)					
Gain on disposal of capital assets	2,891	24,540	-	27,431	-
Investment earnings	329,712	-	-	329,712	-
Interest expense and fiscal charges	(2,458)	-	-	(2,458)	-
Total nonoperating revenues (expenses)	330,145	24,540	-	354,685	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	3,330,626	86,708	(253,201)	3,164,133	537,211
Capital contributions	16,040	-	-	16,040	-
Transfers in	9,792	1,749	1,337,521	1,349,062	-
Transfers out	(4,854,805)	(54,156)	-	(4,908,961)	(58,830)
Change in net position	(1,498,347)	34,301	1,084,320	(379,726)	478,381
NET POSITION, beginning of year	62,171,115	493,513	644,148	63,308,776	1,102,869
NET POSITION, end of year	\$ 60,672,768	\$ 527,814	\$ 1,728,468	\$ 62,929,050	\$ 1,581,250

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Business-type Activities				Governmental Activities
	Water and Sewer	Solid Waste	Nonmajor Stormwater Fund	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 10,037,756	\$ 1,688,791	\$ -	\$ 11,726,547	\$ 2,329,364
Payments to suppliers and service providers	(3,004,483)	(1,233,403)	57,130	(4,180,756)	(1,730,044)
Payments to employees	(2,177,116)	(315,390)	(146,699)	(2,639,205)	-
Net cash provided by (used in) operating activities	4,856,157	139,998	(89,569)	4,906,586	599,320
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of capital assets	(6,698,201)	(4,096)	(59,044)	(6,761,341)	-
Proceeds from long-term debt	169,906	-	-	169,906	-
Proceeds from sale of capital assets	10,865	31,352	-	42,217	-
Interest and fiscal charges paid	(2,459)	-	-	(2,459)	-
Net cash provided by (used in) capital and related financing activities	(6,519,889)	27,256	(59,044)	(6,551,677)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest	329,712	-	-	329,712	-
Net cash provided by investing activities	329,712	-	-	329,712	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	9,792	1,749	1,337,521	1,349,062	-
Transfers out	(4,854,805)	(54,156)	-	(4,908,961)	(58,830)
Net cash provided by (used in) noncapital financing activities	(4,845,013)	(52,407)	1,337,521	(3,559,899)	(58,830)
Increase (decrease) in cash	(6,179,033)	114,847	1,188,908	(4,875,278)	540,490
Cash:					
Beginning of year	10,259,288	120,998	-	10,380,286	1,201,718
End of year	\$ 4,080,255	\$ 235,845	\$ 1,188,908	\$ 5,505,008	\$ 1,742,208
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 3,000,481	\$ 62,168	\$ (253,201)	\$ 2,809,448	\$ 537,211
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	1,843,189	84,253	36,795	1,964,237	-
(Increase) decrease in accounts receivable	(222,374)	(29,500)	184,523	(67,351)	6,332
Increase in inventories	(11,977)	-	-	(11,977)	-
Increase in prepaid assets	(777)	-	-	(777)	-
Increase in pension related deferred outflows of resources	(118,727)	(24,178)	(7,956)	(150,861)	-
Increase in due from other funds	-	-	-	-	(154)
Increase (decrease) in accounts payable	195,479	11,883	(6,636)	200,726	(21,467)
Increase in accrued expenses	1,495	33	57	1,585	-
Decrease in due to other funds	-	-	(54,284)	(54,284)	-
Increase in customer deposits payable	20,700	-	-	20,700	-
Increase in claims payable	-	-	-	-	77,398
Increase in net pension liability	322,290	58,034	21,608	401,932	-
Decrease in pension related deferred outflows of resources	(176,775)	(22,168)	(11,863)	(210,806)	-
Increase (decrease) in compensated absences	3,153	(527)	1,388	4,014	-
Net cash provided by (used in) operating activities	\$ 4,856,157	\$ 139,998	\$ (89,569)	\$ 4,906,586	\$ 599,320
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Contribution from SPLOST Fund	\$ 16,040	\$ -	\$ -	\$ 16,040	\$ -

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

CITY OF VILLA RICA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Villa Rica operates under a council - manager form of government and provides the following services to its citizens: public safety, judicial, public works, planning and zoning, culture and recreation, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Units

The Villa Rica Industrial Development Authority (the “Industrial Development Authority”) is a public body, corporate and politic and was created upon the adoption and approval of the Development Authority Law of the State of Georgia. The Mayor and City Council appoint all members of the Villa Rica Industrial Development Authority. Management has determined that due to the nature and significance of the relationship with the City and the Industrial Development Authority, to report the Industrial Development Authority as a component unit. The Industrial Development Authority has purchased land and built industrial buildings that were leased to such companies as Lowe's, Flowers Bakery, and Print Pack. The Industrial Development Authority does not issue separate financial statements.

The Villa Rica Downtown Development Authority (the “Downtown Development Authority”) is a seven member public body, corporate and politic and was created in 1991 upon adoption and approval of the Development Authorities of the State of Georgia. The City Council appoints all members of the Downtown Development Authority and has the ability to significantly impose the Council's will on the programs and services of the Downtown Development Authority. The Downtown Development Authority developed plans and coordinated the use of SPLOST funds for a downtown train station park parking garage. The Downtown Development Authority does not issue separate financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units

The Villa Rica Public Facilities Authority (the “Public Facilities Authority”) is a public body which was created upon the adoption and approval of the Development Authority Law of the State of Georgia. The Mayor and City Council serve as members of the Public Facilities Authority Board and appoint three additional members. The Public Facilities Authority provides services entirely to the City of Villa Rica and the debt of the Public Facilities Authority is secured by the City’s ad valorem levy. The Public Facilities Authority is therefore reported as a blended component unit of the City. There are no separately issued financial statements for the Public Facilities Authority.

Related Organizations

The City of Villa Rica officials are also responsible for appointing the members of the boards of other organizations, but the City’s accountability of the organizations does not extend beyond making appointments. The Mayor and Council appoint the board members for the Villa Rica Housing Authority, the Planning and Zoning Commission, Cemetery Commission, Historic Preservation Commission, the Main Street Advisory Board, the Library Board, and the Recreation Advisory Board.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of net position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City’s capital assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The statement of activities demonstrates the degree to which the 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*.

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The City reports the following major governmental funds:

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

The **Eastside TAD Fund** accounts for the positive tax increment revenues attributable to the Eastside Tax Allocation District. These revenues are restricted and used to pay for the redevelopment costs that provide substantial public benefit in accordance with the Eastside Tax Allocation District Redevelopment Plan.

The **2021 SPLOST Fund** accounts for the Carroll County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

The **Villa Rica Public Facilities Authority Fund** accounts for the financing and construction of capital projects determined by the Authority to promote the public good or general welfare of the citizens of Villa Rica including the acquisition, construction, renovation, improvement, extension, addition, or equipping of utility systems, emergency facilities, recreational facilities, public safety facilities, healthcare facilities, educational, cultural, or historical facilities, and administrative facilities.

The City reports the following major proprietary fund:

The **Water and Sewer Fund** accounts for the activities of the City's water system and the billing on behalf of Douglas County's sewer system as it applies to City residents, which renders those services to the residents and businesses located within the City.

The **Solid Waste Fund** accounts for the activities of the City's solid waste collection and disposal services.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are restricted or committed to expenditure for specific purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Capital Project Funds** account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of facilities and other capital assets.

The **Debt Service Fund** accounts for revenues restricted, committed, or assigned to expenditures for principal and interest.

The **Enterprise Funds** account for the revenues and maintenance of the City's solid waste and stormwater infrastructure.

The **Internal Service Fund** is used to finance and account for the City's partial self-funded Health Insurance Plan provided to other departments and agencies of the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budget

Annual appropriated budgets are adopted for all funds. The governmental fund budgets are adopted on the GAAP basis. All appropriations lapse at fiscal period-end. Encumbered appropriations are carried forward to the subsequent fiscal period automatically with no formal action required by the City Council. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is employed by the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budget (Continued)

There were \$369,314 in outstanding encumbrances at September 30, 2023. The City reports open encumbrances in the following funds as of September 30, 2023:

Fund	Amount
Water and Sewer Fund	\$ 136,962
Solid Waste Fund	20,000
Stormwater Fund	17,723
Nonmajor Governmental Funds	5,928
General Fund	188,701
Total	<u>\$ 369,314</u>

E. Deposits and Investments

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

The City's only investments are certificates of deposit which are considered nonparticipating interest earning investment contracts. These items are recorded at cost.

Increases or decreases in fair value during the fiscal year are recognized as a component of interest income.

F. Receivables and Payables

Activity between funds that are representative of short-term lending/borrowing arrangements outstanding at the end of the fiscal period as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventories and Prepaid Items

All inventories are valued at cost assuming a first-in, first-out (FIFO) consumption pattern. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. The cost is recorded as an expenditure in the governmental funds when consumed. Inventories reported in the governmental funds are equally offset by fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets.

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

H. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two fiscal periods. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The City has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

Capital assets of the primary government are depreciated or amortized using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Land improvements	20
Buildings and improvements	40
Machinery and equipment	5 - 30
Vehicles	8
Infrastructure	10 - 65

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. That item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that qualifies for reporting in this category under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, franchise taxes, and intergovernmental revenues as these amounts are deferred and will be recognized as inflow of resources in the period in which the amounts become available.

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the fiscal period of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five fiscal period. Additionally, any contributions made by the City to the pension plan before fiscal period end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources. These contributions will offset the pension liability in the next period.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. All vacation is accrued when incurred in the government-wide and proprietary fund financial statements as these amounts will be paid to employees upon termination or retirement. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are accrued and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the fiscal period of issuance.

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

L. Fund Equity

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

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 they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (i.e., resolution) of the City Council. Further the limitation that has been placed on the resources can only be removed by Mayor and Council with reversal of the action which committed the resources in the fund balance.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City Council, through resolution, has delegated to the City Manager the authority to assign funds for a particular purpose.

Unassigned – Fund balances are reported as unassigned as the residual classification for the City's General Fund and includes all spendable amounts not contained in the other classifications. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

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

M. Pensions

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

N. Management Estimates

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

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.” The details of this \$50,698,172 difference are as follows:

Bonds payable	\$ (51,655,000)
Unamortized deferred charges	1,432,147
Accrued interest	(175,977)
Compensated absences	<u>(299,342)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u><u>\$ (50,698,172)</u></u>

Another element of that reconciliation states that “deferred outflows of resources, deferred inflows of resources and the net pension liability are not expected to be liquidated with expendable available resources and, therefore, are not reported in the governmental funds.” The details of this \$1,238,428 difference are as follows:

Net pension liability	\$ (2,526,241)
Deferred outflows of resources	1,350,018
Deferred inflows of resources	<u>(62,205)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u><u>\$ (1,238,428)</u></u>

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$5,004,395 difference are as follows:

Capital outlay	\$ 6,664,240
Depreciation expense	<u>(1,659,845)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 5,004,395</u>

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$569,128 difference are as follows:

Compensated absences	\$ (24,484)
Amortization of deferred charges	(274,964)
Accrued interest	(74,492)
Pension expense	<u>(195,188)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (569,128)</u>

Another element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$19,775,000 difference are as follows:

Principal payments - bonds	\$ 1,210,000
Issuance of bonds	<u>(20,985,000)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (19,775,000)</u>

NOTES TO FINANCIAL STATEMENTS

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

Another element of that reconciliation states that “the net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this \$1,108,969 difference are as follows:

Donations of capital assets	\$ 1,168,830
Net book value of capital assets disposed	<u>(59,861)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 1,108,969</u>

NOTE 3. LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

1. Prior to October 1, the City Manager submits the proposed budget to the City Council. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the City.
3. The budget is then legally enacted through passage of a resolution by the City Council at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the City Council in a regular meeting.

Budgeted amounts are as originally adopted, or as amended by the City Council. The supplementary budgetary appropriations made are reflected in the final budget amounts.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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

Custodial credit risk. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of September 30, 2023, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of September 30, 2023, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

Investments – Component Unit: As of September 30, 2023, the Villa Rica Industrial Development Authority had \$770,991 of investments, all of which were held in certificates of deposit at a local financial institution as follows:

Description	Term	Maturity Date	Balance
Certificate of deposit	12 months	3/8/2024	\$ 234,572
Certificate of deposit	18 months	9/9/2024	233,536
Certificate of deposit	24 months	3/17/2025	232,883
Total Investments			<u>\$ 700,991</u>

These certificates of deposit are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at September 30, 2023, for the City's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Eastside TAD Fund	Nonmajor Governmental
Taxes	\$ 65,522	\$ -	\$ -
Other governments	-	-	320,023
Accounts	2,701,640	6,219	71,295
	<u>2,767,162</u>	<u>6,219</u>	<u>391,318</u>
Less allowances	(462,002)	-	-
Net total receivables	<u><u>\$ 2,305,160</u></u>	<u><u>\$ 6,219</u></u>	<u><u>\$ 391,318</u></u>

	Water & Sewer Fund	Solid Waste Fund	Internal Service
Taxes	\$ -	\$ -	\$ -
Other governments	-	-	-
Accounts	4,380,684	201,635	2,630
	<u>4,380,684</u>	<u>201,635</u>	<u>2,630</u>
Less allowances	(68,241)	(10,098)	-
Net total receivables	<u><u>\$ 4,312,443</u></u>	<u><u>\$ 191,537</u></u>	<u><u>\$ 2,630</u></u>

Douglas and Carroll County Property taxes for the 2023 fiscal year were levied in September 2022, with property values assessed as of January 1, 2022. Bills are payable on or before November 19, 2022, after which the applicable property is subject to lien and penalties and interest are assessed. Property taxes attached as an enforceable lien on property as of January 1.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

A. Primary Government

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	\$ 2,782,326	\$ 1,178,826	\$ -	\$ -	\$ 3,961,152
Construction in progress	2,251,880	5,751,155	(25,399)	(29,379)	7,948,257
Total capital assets, not being depreciated	5,034,206	6,929,981	(25,399)	(29,379)	11,909,409
Capital assets, being depreciated:					
Buildings and improvements	11,824,368	426,343	-	29,379	12,280,090
Site improvements	8,765,114	2,444	-	-	8,767,558
Machinery and equipment	8,415,980	434,412	(305,556)	-	8,544,836
Infrastructure	13,604,402	39,890	-	-	13,644,292
Total capital assets, being depreciated	42,609,864	903,089	(305,556)	29,379	43,236,776
Less accumulated depreciation for:					
Buildings and improvements	(6,397,864)	(382,351)	-	-	(6,780,215)
Site improvements	(3,348,961)	(225,959)	-	-	(3,574,920)
Machinery and equipment	(6,560,025)	(747,512)	271,094	-	(7,036,443)
Infrastructure	(4,086,017)	(304,023)	-	-	(4,390,040)
Total accumulated depreciation	(20,392,867)	(1,659,845)	271,094	-	(21,781,618)
Total capital assets, being depreciated, net	22,216,997	(756,756)	(34,462)	29,379	21,455,158
Governmental activities capital assets, net	\$ 27,251,203	\$ 6,173,225	\$ (59,861)	\$ -	\$ 33,364,567

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 2,157,452	\$ -	\$ -	\$ -	\$ 2,157,452
Construction in progress	2,021,566	4,995,733	(7,974)	(377,193)	6,632,132
Total capital assets, not being depreciated	4,179,018	4,995,733	(7,974)	(377,193)	8,789,584
Capital assets, being depreciated:					
Site improvements	57,596	40,869	-	-	98,465
Infrastructure	36,277,193	1,312,574	-	331,561	37,921,328
Buildings	34,011,734	63,061	-	-	34,074,795
Equipment	5,325,513	365,144	(96,865)	45,632	5,639,424
Total capital assets, being depreciated	75,672,036	1,781,648	(96,865)	377,193	77,734,012
Less accumulated depreciation for:					
Site improvements	(27,877)	(2,949)	-	-	(30,826)
Infrastructure	(15,041,342)	(980,740)	-	-	(16,022,082)
Buildings	(7,143,480)	(716,600)	-	-	(7,860,080)
Equipment	(4,103,749)	(263,948)	90,053	-	(4,277,644)
Total accumulated depreciation	(26,316,448)	(1,964,237)	90,053	-	(28,190,632)
Total capital assets, being depreciated, net	49,355,588	(182,589)	(6,812)	377,193	49,543,380
Business-type activities capital assets, net	\$ 53,534,606	\$ 4,813,144	\$ (14,786)	\$ -	\$ 58,332,964

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 177,257
Public safety	455,205
Public works	468,462
Culture and recreation	496,339
Economic Development	62,582
Total depreciation expense - governmental activities	<u>\$ 1,659,845</u>

Business-type activities:

Water and Sewer Fund	\$ 1,843,189
Solid Waste Fund	84,253
Stormwater Fund	36,795
Total depreciation expense - business-type activities	<u>\$ 1,964,237</u>

B. Discretely Presented Component Unit – Villa Rica Development Authority

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in progress	-	55,525	-	55,525
Total	<u>50,000</u>	<u>55,525</u>	<u>-</u>	<u>105,525</u>
Capital assets, being depreciated:				
Infrastructure	157,000	-	-	157,000
Total capital assets, being depreciated	<u>157,000</u>	<u>-</u>	<u>-</u>	<u>157,000</u>
Less accumulated depreciation for:				
Infrastructure	(27,357)	(5,233)	-	(32,590)
Total accumulated depreciation	<u>(27,357)</u>	<u>(5,233)</u>	<u>-</u>	<u>(32,590)</u>
Total capital assets, being depreciated, net	<u>129,643</u>	<u>(5,233)</u>	<u>-</u>	<u>124,410</u>
Governmental activities capital assets, net	<u>\$ 179,643</u>	<u>\$ 50,292</u>	<u>\$ -</u>	<u>\$ 229,935</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2023, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	2016 SPLOST Fund	\$ 1,000
General Fund	Eastside TAD Fund	56,760
Internal Service Fund	General Fund	154
Nonmajor Governmental Funds	General Fund	1,110
		<u>\$ 59,024</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and the actual reimbursements. The amount due to the General Fund from the nonmajor governmental funds represents the amount that the SPLOST Fund and Eastside TAD Fund will reimburse the General Fund for allowable capital expenditures paid for by the General Fund.

Interfund transfers for the fiscal year ended September 30, 2023 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Water and Sewer Fund	\$ 1,376,100
General Fund	Solid Waste Fund	54,156
General Fund	Nonmajor Governmental Funds	175,761
General Fund	Internal Service Fund	46,590
Villa Rica Public Facilities Authority	Water and Sewer Fund	2,404,705
Water and Sewer Fund	Internal Service Fund	9,792
Solid Waste Fund	Internal Service Fund	1,749
Nonmajor Governmental Funds	Eastside TAD Project Fund	1,653,058
Nonmajor Governmental Funds	General Fund	1,454,685
Nonmajor Enterprise Fund	Internal Service Fund	699
Nonmajor Enterprise Fund	Water and Sewer Fund	1,074,000
Nonmajor Enterprise Fund	General Fund	262,822
		<u>\$ 8,514,117</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them. Transfers from the General Fund to nonmajor governmental funds was to cover costs for various capital projects and operating costs for the cemetery. The transfer from the Eastside TAD Project Fund to nonmajor governmental funds (Debt Service Fund) was to transfer funds for the payment of bond principal and interest. The transfer from the Water and Sewer Fund to the Villa Rica Public Facilities Authority was to transfer funds for the payment of bond principal and interest. Transfers from the Water and Sewer Fund to the General Fund and nonmajor enterprise fund (Stormwater Fund) provide additional funds for operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT

Primary Government

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Direct placement -					
Bonds payable	\$ 31,880,000	\$ -	\$ (1,210,000)	\$ 30,670,000	\$ 1,325,000
Private placement -					
Bond payable	-	20,985,000	-	20,985,000	-
Total bonds payable	31,880,000	20,985,000	(1,210,000)	51,655,000	1,325,000
Compensated absences	274,858	90,243	(65,759)	299,342	71,616
Net pension liability	1,005,199	1,987,561	(466,519)	2,526,241	-
Governmental activities long-term liabilities	<u>\$ 33,160,057</u>	<u>\$ 23,062,804</u>	<u>\$ (1,742,278)</u>	<u>\$ 54,480,583</u>	<u>\$ 1,396,616</u>
Business-type Activities:					
Direct borrowings -					
Note payable	\$ 300,645	\$ 3,449,906	\$ -	\$ 3,750,551	\$ -
Compensated absences	49,048	13,215	(9,201)	53,062	32,337
Net pension liability	286,282	528,339	(126,407)	688,214	-
Business-type activities long-term liabilities	<u>\$ 635,975</u>	<u>\$ 3,991,460</u>	<u>\$ (135,608)</u>	<u>\$ 4,491,827</u>	<u>\$ 32,337</u>

For governmental and business-type activities, compensated absences are liquidated in the funds from which the employees' salaries are paid, which include the General Fund, Nonmajor Governmental Funds, Water and Sewer Fund, and Nonmajor Enterprise Funds, as applicable. The net pension liability is primarily liquidated by the General Fund for governmental activities. For business-type activities, the net pension liability will be liquidated by all enterprise funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Direct Placement - Revenue Bonds, Series 2008. During the fiscal period 2008, the Public Facilities Authority (PFA) issued \$10,000,000 of revenue bonds for the purpose of construction of a new 2.15 million gallon wastewater treatment plant including (a) a portion of the financing costs for the acquisition of land, construction and equipping the wastewater treatment plant on the west side of the City, (b) paying capitalized interest on the bonds, and (c) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.4% – 4.9% per annum and mature March 1, 2028. During 2015 these bonds were defeased through the issuance of the 2015 Series Revenue Bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2023, the outstanding amount of Series 2008 general obligation bonds considered legally defeased is \$6,135,000.

Direct Placement - Revenue Bonds, Series 2009. During the fiscal period 2009, the Public Facilities Authority issued \$24,905,000 of revenue bonds for the purpose of construction of a new 2.15 million gallon wastewater treatment plant including (a) a portion of the financing costs for the acquisition of land, construction and equipping the wastewater treatment plant on the west side of the City, (b) paying capitalized interest on the bonds, and (c) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.625% - 4.875% per annum and mature March 1, 2039. During 2015 these bonds were defeased through the issuance of the 2015 Series Revenue Bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2023, the outstanding amount of Series 2009 general obligation bonds considered legally defeased is \$24,905,000.

The total cash flow savings of the refunding of the Series 2008 and 2009 bonds is \$6,370,734 with a present value, or economic gain, of \$4,525,794.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Direct Placement - Revenue Bonds, Series 2015. During the fiscal period 2015, the PFA issued \$33,860,000 City of Villa Rica Public Facilities Authority (Georgia) Revenue Bonds (City of Villa Rica Water and Sewerage Project), Series 2015 revenue bonds for the purpose of (a) refunding all of Series 2008 and Series 2009 bonds of the Authority, and (b) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 2.0% – 5.0% per annum and mature March 1, 2039. During 2022, these bonds were defeased through the issuance of the 2022 Series revenue bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2023, the outstanding amount of Series 2015 general obligation bonds considered legally defeased is \$28,985,000.

Direct Placement - Revenue Bonds, Series 2022. During the fiscal period 2022, the PFA issued \$31,880,000 City of Villa Rica Public Facilities Authority (Georgia) Revenue Bonds (City of Villa Rica Water and Sewerage Project), Series 2022 revenue bonds for the purpose of (a) refunding all of the Series 2015 bond of the Authority, and (b) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 2.84% – 3.82% per annum and mature March 1, 2039. The bonds are payable solely from the City through a lease agreement with the Authority, whereby the City agrees to make rental payments in an amount sufficient to enable the Authority to make the semiannual principal and interest payments. The City has unconditionally agreed to levy ad valorem property tax, without limitation as to rate or amount, as necessary to meet its obligation under this agreement.

The total cash flow savings of the refunding of the Series 2015 bonds is \$2,839,689 with a present value, or economic gain, of \$1,979,436.

The City's debt service requirements to maturity on the revenue bonds are as follows:

Year Ending September 30,	Principal	Interest	Total
2024	\$ 1,325,000	\$ 1,081,581	\$ 2,406,581
2025	1,590,000	810,820	2,400,820
2026	1,635,000	765,025	2,400,025
2027	1,685,000	717,881	2,402,881
2028	1,735,000	669,317	2,404,317
2029-2033	9,445,000	2,567,999	12,012,999
2034-2038	10,885,000	1,126,841	12,011,841
2039	2,370,000	33,654	2,403,654
Total	<u>\$ 30,670,000</u>	<u>\$ 7,773,118</u>	<u>\$ 38,443,118</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

Private Placement - Revenue Bond, Series 2023. During the fiscal period 2023, the Urban Redevelopment Agency (URA) issued the \$20,985,000 City of Villa Rica Urban Redevelopment Agency Revenue Bond, Series 2023 for the purpose of (a) financing all or a portion of the costs of the urban redevelopment project, (b) paying capitalized interest through July 1, 2025, and (c) paying the costs of the issuance of the bond. The bond carries an interest rate of 4.48% and matures January 1, 2041. The Series 2023 bond is secured by an Intergovernmental Contract, between the URA and the City of Villa Rica, pursuant to which the City of Villa Rica will agree to (a) pay to the Agency amounts sufficient to enable the Agency to pay the principal and interest on the Series 2023 bond as the same become due (contract payments), and (b) levy an ad valorem tax, unlimited as to rate or amount, on all property in the City of Villa Rica subject to such tax in order to make such contract payments.

The City anticipates making the contract payments from revenues (positive tax allocation increment) collected from the City's Eastside Tax Allocation District by the City, Carroll County, Georgia and the Carroll County School Board. The City has not pledged these revenues to the repayment of the Series 2023 Bond and may make the contract payments from any lawfully available funds.

The City's debt service requirements to maturity on the revenue bond are as follows:

Year Ending September 30,	Principal	Interest	Total
2024	\$ -	\$ 712,930	\$ 712,930
2025	-	940,128	940,128
2026	1,050,000	916,608	1,966,608
2027	1,090,000	868,672	1,958,672
2028	1,140,000	818,720	1,958,720
2029-2033	6,530,000	3,260,992	9,790,992
2034-2038	7,605,000	1,642,928	9,247,928
2039-2041	3,570,000	229,600	3,799,600
Total	<u>\$ 20,985,000</u>	<u>\$ 9,390,578</u>	<u>\$ 30,375,578</u>

Notes Payable

In August 2021, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for the construction of a new water main, hydrant and valve installations, and related appurtenances. The agreement for construction of the water main has been executed for \$2,500,000 with an interest rate of .13%. As of September 30, 2023, the City had made draws totaling \$470,583 on the note payable to GEFA. Currently there is no payment schedule for the debt as the project is in the construction phase, thus the entire payable is reported as due in more than one year.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

In August 2023, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for upgrades to the pump station and related appurtenances. The agreement for upgrades to the pump station has been executed for \$1,707,900 with an interest rate of 1.63%. As of September 30, 2023, the City had made draws totaling \$1,436,663 on the note payable to GEFA. Currently there is no payment schedule for the debt as the project is in the construction phase, thus the entire payable is reported as due in more than one year.

In February 2023, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for the relocation of utilities for the north Bypass and Hwy 78 and Conners Road roundabout. The agreement for construction of the water main has been executed for \$3,000,000 with an interest rate of 2.42%. As of September 30, 2023, the City had made draws totaling \$1,843,305 on the note payable to GEFA. Currently there is no payment schedule for the debt as the project is in the construction phase, thus the entire payable is reported as due in more than one year.

NOTE 9. PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Villa Rica Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established and amended by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. All employees, excluding elected officials who are immediately eligible, who work forty hours per week are eligible to participate after one fiscal period. Benefits vest after five fiscal periods of service. A City employee who retires at age 65 with five fiscal periods of service is entitled to benefits of 2% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 fiscal periods total credited service to receive full benefits, otherwise early retirement may be elected after only 10 fiscal periods of service for reduced benefits.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

Plan Description (Continued)

Elected officials are entitled to \$14 for each fiscal period of service after reaching normal retirement age.

Plan Membership. At January 1, 2023, the date of the most recent actuarial valuation, there were 303 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	75
Terminated vested participants not yet receiving benefits	73
Active employees - vested	43
Active employees - nonvested	112
Total	<u>303</u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan, as adopted by the City Council, is to contribute an amount equal to or greater than the recommended contribution described below. For 2023, the actuarially determined contribution rate was 7.30% of covered payroll. The City makes all contributions to the plan. For fiscal year 2023, the City's contribution to the plan was \$542,355.

Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

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

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

Mortality rates for the January 1, 2023 valuation were based on the Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. The Pri-2012 Mortality Tables were determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on a four-year review of mortality experience for the period July 1, 2015 to June 30, 2019. Mortality experience will be reviewed periodically and updated if necessary.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Cost of living adjustments were assumed to be 0.00%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2022 are summarized in the table below:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.40%
International equity	20%	6.80
Domestic fixed income	20%	0.40
Real estate	10%	3.90
Global fixed income	5%	0.46
Cash	—%	
Total	100%	

* Rates shown are net of the 2.25% assumed rate of inflation

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 9/30/22	\$ 10,027,716	\$ 8,736,235	\$ 1,291,481
Changes for the year:			
Service cost	301,671	-	301,671
Interest	745,451	-	745,451
Differences between expected and actual experience	(60,595)	-	(60,595)
Contributions—employer	-	532,331	(532,331)
Net investment income	-	(1,441,560)	1,441,560
Benefit payments, including refunds of employee contributions	(443,154)	(443,154)	-
Administrative expense	-	(27,218)	27,218
Net changes	543,373	(1,379,601)	1,922,974
Balances at 9/30/23	\$ 10,571,089	\$ 7,356,634	\$ 3,214,455

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

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

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 4,617,270	\$ 3,214,455	\$ 2,052,566

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021 and the current sharing pattern of costs between employer and employee.

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

For the year ended September 30, 2023, the City recognized pension expense of \$777,808. At September 30, 2023, 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	\$ 138,945	\$ (79,151)
Changes in assumptions	83,097	-
Net difference between projected and actual earnings on pension plan investments	953,401	-
City contributions subsequent to the measurement date	542,355	-
Total	<u>\$ 1,717,798</u>	<u>\$ (79,151)</u>

City contributions subsequent to the measurement date of \$542,355 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30:		
2024	\$	358,518
2025		153,535
2026		166,611
2027		417,628
Total	<u>\$</u>	<u>1,096,292</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED CONTRIBUTION PLAN

The City of Villa Rica's Internal Revenue Code Section 457 Plan (the "Plan") is a deferred compensation plan and qualifies as a defined contribution pension plan. The Plan is administered by John Hancock for all full-time employees. The Plan is funded through employer and employee contributions. Plan provisions and contribution requirements are established and may be amended by the City's Mayor and Council. At September 30, 2023, there were 100 plan members.

Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary up to the maximum amount allowed by the IRS. The Plan allows employees to increase, decrease, stop and restart deferrals as often as they wish without penalties or fees. The City's Mayor and Council have established the plan to make matching contributions to all employees who elect to contribute to the Plan. Total employer and employee contributions for the year ended September 30, 2023 were \$118,774 and \$271,402 respectively.

NOTE 11. RISK MANAGEMENT

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

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

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

Settled claims have not exceeded the coverage in the past three fiscal periods.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Effective September 1, 2017 the City created a high deductible self-insurance program for the City's employees. Under the program the City will pay for the first \$50,000 of medical and pharmacy claims on an individual basis up to \$1,509,863 in aggregate based on enrollment of 145 employees. The stop-loss insurance coverage does not include fixed costs such as TPA fees, stop-loss premiums, network rental, etc. The City pays annual premiums for stop-loss insurance coverage. The City's policies cover individual medical and pharmacy claims in excess of \$50,000; additionally, the City's aggregate annual claims exposure for medical and pharmacy claims is limited to \$1,509,863. The following describes the claims activity for the year ended September 30, 2023 and the fiscal year ended September 30, 2022:

<u>Fiscal Year-End</u>	<u>Beginning Balance</u>	<u>Current Year Claims and Change in Estimate</u>	<u>Claims Paid</u>	<u>End of Period Claims Liability</u>
2023	\$ 84,103	\$ 1,159,539	\$ (1,082,141)	\$ 161,501
2022	153,560	934,190	(1,003,647)	84,103

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, City management believes such disallowances, if any, will not be significant.

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet, at September 30, 2023, the City has contractual commitments on uncompleted contracts of approximately \$3,780,677.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Three Rivers Regional Commission (TRRC) and the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Douglas County. Membership in the TRRC and ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the TRRC and ARC in Georgia. The TRRC and ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the TRRC and ARC. Separate financial statements may be obtained from the following:

Three Rivers Regional Commission
Highway 34
Franklin, Georgia 30217

Atlanta Regional Commission
229 Peachtree St NE, STE 100
Atlanta, Georgia 30303

NOTE 14. HOTEL/MOTEL TAX

The City levied an occupancy tax of 8% beginning August 1, 2018 for the rent of a guest room at a hotel or motel in the City as authorized by the Official Code of Georgia Annotated (O.C.G.A.) §48-13-51(b). Local governments imposing a tax under this code section are required to expend, in each fiscal period, an amount equal to but not less than 50% of the total amount of taxes collected that exceed the amount of taxes that would have been collected at the rate of 5% for promoting tourism, conventions, and trade shows by the destination marketing organization designated by the municipality levying the tax (for the City, the Downtown Development Authority or Industrial Development Authority). The remaining amount of taxes collected that exceed the amount of taxes that would be collected at the rate of 5% which are not otherwise expended above shall be expended for tourism product development. For the year ended September 30, 2023, the City collected \$468,692 in hotel/motel tax revenues of which \$175,761 was transferred to the City's General Fund and \$293,175 was disbursed to the Villa Rica Convention and Visitors Bureau.

NOTE 15. TAX ABATEMENTS

For the year ended September 30, 2023, City property tax revenues were reduced by \$187,735 under agreements entered into by Carroll County and Douglas County. Under the agreements, assessed values on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. NONEXCHANGE FINANCIAL GUARANTEES

In May 2021, the City entered into an intergovernmental agreement with Carroll County to participate in the issuance of General Obligation Sales Tax Bonds, Series 2021 in the amount of \$40,000,000 at an interest rate of 4%. The City's portion of the debt is \$4,000,000 which shall be paid first from the borrowing entity's (i.e., the "City") share of sales and use tax proceeds. The City has a guarantee in the intergovernmental agreement that requires the City to cover any debt service in which annual sales and use tax proceeds do not cover debt service, however, the likelihood of that occurring is remote, and therefore, the City has no liability to report.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability								
Service cost	\$ 301,671	\$ 276,900	\$ 252,306	\$ 237,027	\$ 118,425	\$ 221,290	\$ 200,256	\$ 213,374
Interest on total pension liability	745,451	706,213	655,468	571,853	279,114	505,365	488,754	433,897
Differences between expected and actual experience	(60,595)	(53,543)	148,918	396,883	(69,314)	220,211	(145,396)	361,719
Changes of assumptions	-	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(443,154)	(401,457)	(384,981)	(362,066)	(168,273)	(340,694)	(317,883)	(284,415)
Other expenses	-	-	-	415,484	-	111,406	-	-
Net change in total pension liability	543,373	528,113	671,711	1,259,181	159,952	717,578	225,731	724,575
Total pension liability - beginning	10,027,716	9,499,603	8,827,892	7,568,711	7,408,759	6,691,181	6,465,450	5,740,875
Total pension liability - ending (a)	\$ 10,571,089	\$ 10,027,716	\$ 9,499,603	\$ 8,827,892	\$ 7,568,711	\$ 7,408,759	\$ 6,691,181	\$ 6,465,450
Plan fiduciary net position								
Contributions - employer	\$ 532,331	\$ 470,367	\$ 355,973	\$ 278,227	\$ 138,539	\$ 277,095	\$ 256,886	\$ 229,947
Net investment income	(1,441,560)	1,696,968	619,722	186,708	304,455	680,462	620,185	13,608
Benefit payments, including refunds of member contributions	(443,154)	(401,457)	(384,981)	(362,066)	(168,273)	(340,694)	(317,883)	(284,415)
Administrative expenses	(27,218)	(27,797)	(23,613)	(23,725)	(12,538)	(22,997)	(23,126)	(15,103)
Net change in plan fiduciary net position	(1,379,601)	1,738,081	567,101	79,144	262,183	593,866	536,062	(55,963)
Plan fiduciary net position - beginning	8,736,235	6,998,154	6,431,053	6,351,909	6,089,726	5,495,860	4,959,798	5,015,761
Plan fiduciary net position - ending (b)	\$ 7,356,634	\$ 8,736,235	\$ 6,998,154	\$ 6,431,053	\$ 6,351,909	\$ 6,089,726	\$ 5,495,860	\$ 4,959,798
City's net pension liability - ending (a) - (b)	\$ 3,214,455	\$ 1,291,481	\$ 2,501,449	\$ 2,396,839	\$ 1,216,802	\$ 1,319,033	\$ 1,195,321	\$ 725,114
Plan fiduciary net position as a percentage of the total pension liability	69.59%	87.12%	73.67%	72.85%	83.92%	82.20%	82.14%	87.37%
Covered payroll	\$ 6,765,682	\$ 5,999,579	\$ 4,984,730	\$ 6,077,554	\$ 4,670,988	\$ 4,595,373	\$ 4,619,244	\$ 4,525,595
City's net pension liability as a percentage of covered payroll	47.51%	21.53%	50.18%	39.44%	26.05%	28.70%	25.88%	18.28%

Notes to the Schedule:

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

The City changed the measurement period of the plan with the change of the City's fiscal year end. The Plan years 2016 - 2018 were measured as of March 31, while

Plan years 2019 - 2023 are measured as of September 30.

CITY OF VILLA RICA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION

RETIREMENT PLAN

SCHEDULE OF CITY CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 532,331	\$ 470,367	\$ 363,520	\$ 334,362	\$ 353,457	\$ 207,808	\$ 277,101	\$ 250,148
Contributions in relation to the actuarially determined contribution	542,355	531,106	470,367	335,973	277,077	138,539	277,095	245,098
Contribution deficiency (excess)	\$ (10,024)	\$ (60,739)	\$ (106,847)	\$ (1,611)	\$ 76,380	\$ 69,269	\$ 6	\$ 5,050
Covered payroll	\$ 7,378,980	\$ 6,765,682	\$ 5,999,579	\$ 4,984,730	\$ 5,197,012	\$ 3,522,169	\$ 4,595,274	\$ 3,966,501
Contributions as a percentage of covered payroll	7.35%	7.85%	7.84%	6.74%	5.33%	3.93%	6.03%	6.18%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2023
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost-of-living Adjustment	N/A
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective period of 10 years

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

Federal Seizures Fund – to account for funds awarded to the City of Villa Rica from joint seizures with various Federal agencies.

Narcotics Enforcement Fund – accounts for the City's local seizure activity. Revenues are restricted by State law to be used for drug prevention and trafficking.

Hotel/Motel Tax Fund – to account for the collection of hotel/motel taxes within the City which are restricted for the promotion of tourism via a contract with the Villa Rica Tourism Board.

Cemetery Fund – accounts for the committed resources provided for the operation and maintenance of the cemeteries.

Technology Fund – accounts for the restricted revenues generated from court fines which are to be used for expenditures related to technology needs in the municipal court of the City and any ancillary financial technology needs of the municipal court of the City.

Capital Projects Funds

Capital projects funds are used to account for financial resources for the acquisition, construction, and improvements of the City's capital assets other than those financed by enterprise funds.

Capital Projects Fund – to account for the acquisition and construction of major capital projects.

Public Roads Fund – to account for capital projects which are funded through State grants that are used specifically for road resurfacing.

2015 SPLOST Fund – accounts for the Carroll County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

2016 SPLOST Fund – accounts for the Douglas County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

2022 SPLOST Fund – accounts for the Douglas County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

Capital Grants Fund – accounts for the acquisition and construction of major capital projects funded by capital grants.

Debt Service Fund

Debt Service Fund – accounts for revenues restricted, committed, or assigned to expenditures for principal and interest.

CITY OF VILLA RICA, GEORGIA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

Special Revenue Funds					
	Federal Seizures Fund	Narcotics Enforcement Fund	Hotel/Motel Tax Fund	Cemetery Fund	Technology Fund
ASSETS					
Cash and cash equivalents	\$ 122,808	\$ 190,383	\$ 70,244	\$ 10,037	\$ 101,421
Receivables	-	-	70,154	-	429
Prepaid items	-	-	-	-	-
Due from other funds	1,110	-	-	-	-
Total assets	<u>\$ 123,918</u>	<u>\$ 190,383</u>	<u>\$ 140,398</u>	<u>\$ 10,037</u>	<u>\$ 101,850</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 33,322	\$ 462	\$ -
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>33,322</u>	<u>462</u>	<u>-</u>
FUND BALANCES					
FUND BALANCES					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted:					
Public safety	123,918	190,383	-	-	101,850
Capital projects	-	-	-	-	-
Economic development	-	-	107,076	-	-
Committed for cemetery improvement	-	-	-	9,575	-
Total fund balances	<u>123,918</u>	<u>190,383</u>	<u>107,076</u>	<u>9,575</u>	<u>101,850</u>
Total liabilities and fund balances	<u>\$ 123,918</u>	<u>\$ 190,383</u>	<u>\$ 140,398</u>	<u>\$ 10,037</u>	<u>\$ 101,850</u>

Capital Projects Funds						Debt Service Funds	Total Nonmajor Governmental Funds
Capital Projects Fund	Public Roads Fund	2015 SPLOST Fund	2016 SPLOST Fund	2022 SPLOST Fund	Capital Grants Fund	Debt Service Fund	
\$ 52,448	\$ 374,557	\$ 483,786	\$ 3,871,593	\$ 641,865	\$ 852,691	\$ 1,653,058	\$ 8,424,891
-	-	-	-	320,023	-	712	391,318
-	-	-	1,000	-	-	-	1,000
-	-	-	-	-	-	-	1,110
<u>\$ 52,448</u>	<u>\$ 374,557</u>	<u>\$ 483,786</u>	<u>\$ 3,872,593</u>	<u>\$ 961,888</u>	<u>\$ 852,691</u>	<u>\$ 1,653,770</u>	<u>\$ 8,818,319</u>
\$ 52,448	\$ -	\$ 9,320	\$ 22,575	\$ -	\$ -	\$ -	\$ 118,127
-	-	-	-	-	-	-	-
-	-	-	1,000	-	-	-	1,000
<u>52,448</u>	<u>-</u>	<u>9,320</u>	<u>23,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,127</u>
-	-	-	1,000	-	-	-	1,000
-	-	-	-	-	-	-	416,151
-	374,557	474,466	3,848,018	961,888	852,691	1,653,770	8,165,390
-	-	-	-	-	-	-	107,076
-	-	-	-	-	-	-	9,575
<u>-</u>	<u>374,557</u>	<u>474,466</u>	<u>3,849,018</u>	<u>961,888</u>	<u>852,691</u>	<u>1,653,770</u>	<u>8,699,192</u>
<u>\$ 52,448</u>	<u>\$ 374,557</u>	<u>\$ 483,786</u>	<u>\$ 3,872,593</u>	<u>\$ 961,888</u>	<u>\$ 852,691</u>	<u>\$ 1,653,770</u>	<u>\$ 8,818,319</u>

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

	Special Revenue Funds				
	Federal Seizures Fund	Narcotics Enforcement Fund	Hotel/Motel Tax Fund	Cemetery Fund	Technology Fund
Revenues:					
Taxes	\$ -	\$ -	\$ 468,692	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	6,310	31,195
Fines and forfeitures	-	9,342	-	-	-
Investment earnings	-	-	4,948	3	4,456
Total revenues	-	9,342	473,640	6,313	35,651
Expenditures:					
Current:					
Public safety	-	595	-	-	-
Economic development	-	-	293,175	12,451	26,138
Capital outlay	-	-	-	-	-
Total expenditures	-	595	293,175	12,451	26,138
Excess (deficiency) of revenues over expenditures	-	8,747	180,465	(6,138)	9,513
Other financing sources (uses):					
Proceeds from sale of assets	4,019	7,585	-	-	-
Transfers in	-	-	-	10,265	-
Transfers out	-	-	(175,761)	-	-
Total other financing sources (uses):	4,019	7,585	(175,761)	10,265	-
Net change in fund balances	4,019	16,332	4,704	4,127	9,513
Fund balances, beginning of year	119,899	174,051	102,372	5,448	92,337
Fund balances, end of year	\$ 123,918	\$ 190,383	\$ 107,076	\$ 9,575	\$ 101,850

Capital Projects Funds						Debt Service Funds		Total Nonmajor Governmental Funds
Capital Projects Fund	Public Roads Fund	2015 SPLOST Fund	2016 SPLOST Fund	2022 SPLOST Fund	Capital Grants Fund	Debt Service Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 468,692	
-	188,924	-	797,352	961,877	-	-	1,948,153	
-	-	-	-	-	-	-	37,505	
-	-	-	-	-	-	-	9,342	
-	-	27,324	174,409	11	-	712	211,863	
-	188,924	27,324	971,761	961,888	-	712	2,675,555	
-	-	-	-	-	-	-	595	
-	-	-	-	-	-	-	331,764	
590,494	-	407,612	243,577	-	1,235	-	1,242,918	
590,494	-	407,612	243,577	-	1,235	-	1,575,277	
(590,494)	188,924	(380,288)	728,184	961,888	(1,235)	712	1,100,278	
-	-	-	-	-	-	-	11,604	
590,494	-	-	-	-	853,926	1,653,058	3,107,743	
-	-	(9,890)	(6,150)	-	-	-	(191,801)	
590,494	-	(9,890)	(6,150)	-	853,926	1,653,058	2,927,546	
-	188,924	(390,178)	722,034	961,888	852,691	1,653,770	4,027,824	
-	185,633	864,644	3,126,984	-	-	-	4,671,368	
\$ -	\$ 374,557	\$ 474,466	\$ 3,849,018	\$ 961,888	\$ 852,691	\$ 1,653,770	\$ 8,699,192	

CITY OF VILLA RICA, GEORGIA
FEDERAL SEIZURES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Total revenues	1,000	1,000	-	(1,000)
Expenditures:				
Current:				
Public safety	1,000	1,000	-	1,000
Total expenditures	1,000	1,000	-	1,000
Excess of revenues over expenditures	-	-	-	-
Other financing sources:				
Proceeds from sale of assets	-	-	4,019	4,019
Total other financing sources	-	-	4,019	4,019
Net change in fund balance	-	-	4,019	4,019
Fund balance, beginning of year	119,899	119,899	119,899	-
Fund balance, end of year	<u>\$ 119,899</u>	<u>\$ 119,899</u>	<u>\$ 123,918</u>	<u>\$ 4,019</u>

**CITY OF VILLA RICA, GEORGIA
NARCOTICS ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 9,342	\$ 8,342
Total revenues	1,000	1,000	9,342	8,342
Expenditures:				
Current:				
Public safety	1,000	1,000	595	405
Total expenditures	1,000	1,000	595	405
Excess of revenues over expenditures	-	-	8,747	8,747
Other financing sources:				
Proceeds from sale of assets	-	-	7,585	7,585
Total other financing sources	-	-	7,585	7,585
Net change in fund balance	-	-	16,332	16,332
Fund balance, beginning of year	174,051	174,051	174,051	-
Fund balance, end of year	\$ 174,051	\$ 174,051	\$ 190,383	\$ 16,332

**CITY OF VILLA RICA, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Taxes	\$ 454,637	\$ 425,001	\$ 468,692	\$ 43,691
Investment earnings	232	232	4,948	4,716
Total revenues	454,869	425,233	473,640	48,407
Expenditures:				
Economic development	295,494	278,358	293,175	(14,817)
Total expenditures	295,494	278,358	293,175	(14,817)
Excess of revenues over expenditures	159,375	146,875	180,465	33,590
Other financing uses:				
Transfers out	(159,375)	(159,375)	(175,761)	(16,386)
Total other financing uses	(159,375)	(159,375)	(175,761)	(16,386)
Net change in fund balance	-	(12,500)	4,704	17,204
Fund balance, beginning of year	102,372	102,372	102,372	-
Fund balance, end of year	\$ 102,372	\$ 89,872	\$ 107,076	\$ 17,204

CITY OF VILLA RICA, GEORGIA
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 1,500	\$ 1,500	\$ 6,310	\$ 4,810
Investment earnings	25	25	3	(22)
Total revenues	1,525	1,525	6,313	4,788
Expenditures:				
Current:				
Economic development	11,790	11,790	12,451	(661)
Total expenditures	11,790	11,790	12,451	(661)
Deficiency of revenues over expenditures	(10,265)	(10,265)	(6,138)	4,127
Other financing sources:				
Transfers in	10,265	10,265	10,265	-
Total other financing sources	10,265	10,265	10,265	-
Net change in fund balance	-	-	4,127	4,127
Fund balance, beginning of year	5,448	5,448	5,448	-
Fund balance, end of year	\$ 5,448	\$ 5,448	\$ 9,575	\$ 4,127

**CITY OF VILLA RICA, GEORGIA
TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Charges for services	\$ 46,000	\$ 46,000	\$ 31,195	\$ (14,805)
Investment earnings	-	-	4,456	4,456
Total revenues	46,000	46,000	35,651	(10,349)
Expenditures:				
Current:				
Economic development	46,000	46,000	26,138	19,862
Total expenditures	46,000	46,000	26,138	19,862
Net change in fund balance	-	-	9,513	9,513
Fund balance, beginning of year	92,337	92,337	92,337	-
Fund balance, end of year	\$ 92,337	\$ 92,337	\$ 101,850	\$ 9,513

CITY OF VILLA RICA, GEORGIA
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Capital outlays	\$ 461,000	\$ 862,356	\$ 590,494	\$ 271,862
Total expenditures	461,000	862,356	590,494	271,862
Deficiency of revenues over expenditures	(461,000)	(862,356)	(590,494)	271,862
Other financing sources:				
Transfers in	461,000	862,356	590,494	(271,862)
Total other financing sources	461,000	862,356	590,494	(271,862)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF VILLA RICA, GEORGIA
PUBLIC ROADS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 188,925	\$ 188,925	\$ 188,924	\$ (1)
Total revenues	188,925	188,925	188,924	(1)
Expenditures:				
Public works	188,925	374,558	-	374,558
Total expenditures	188,925	374,558	-	374,558
Net change in fund balance	-	(185,633)	188,924	374,557
Fund balance, beginning of year	185,633	185,633	185,633	-
Fund balance, end of year	<u>\$ 185,633</u>	<u>\$ -</u>	<u>\$ 374,557</u>	<u>\$ 374,557</u>

CITY OF VILLA RICA, GEORGIA
2015 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Investment earnings	\$ -	\$ -	\$ 27,324	\$ 27,324
Total revenues	-	-	27,324	27,324
Expenditures:				
Capital outlays	76,400	858,030	407,612	450,418
Total expenditures	76,400	858,030	407,612	450,418
Deficiency of revenues over expenditures	(76,400)	(858,030)	(380,288)	477,742
Other financing uses:				
Transfers out	-	-	(9,890)	(9,890)
Total other financing uses	-	-	(9,890)	(9,890)
Net change in fund balance	(76,400)	(858,030)	(380,288)	467,852
Fund balance, beginning of year	864,644	864,644	864,644	-
Fund balance, end of year	<u>\$ 788,244</u>	<u>\$ 6,614</u>	<u>\$ 484,356</u>	<u>\$ 467,852</u>

CITY OF VILLA RICA, GEORGIA
2016 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 736,575	\$ 797,352	\$ 797,352	\$ -
Investment earnings	7,000	157,000	174,409	17,409
Total revenues	<u>743,575</u>	<u>954,352</u>	<u>971,761</u>	<u>17,409</u>
Expenditures:				
Capital outlays	<u>1,863,021</u>	<u>4,060,084</u>	<u>243,577</u>	<u>3,816,507</u>
Total expenditures	<u>1,863,021</u>	<u>4,060,084</u>	<u>243,577</u>	<u>3,816,507</u>
Deficiency of revenues over expenditures	(1,119,446)	(3,105,732)	728,184	3,833,916
Other financing uses:				
Transfers out	-	-	(6,150)	(6,150)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(6,150)</u>	<u>(6,150)</u>
Net change in fund balance	(1,119,446)	(3,105,732)	722,034	3,827,766
Fund balance, beginning of year	<u>3,126,984</u>	<u>3,126,984</u>	<u>3,126,984</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,007,538</u>	<u>\$ 21,252</u>	<u>\$ 3,849,018</u>	<u>\$ 3,827,766</u>

CITY OF VILLA RICA, GEORGIA
2021 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 2,718,010	\$ 2,718,010	\$ 1,339,801	\$ (1,378,209)
Investment earnings	-	-	325,986	325,986
Total revenues	2,718,010	2,718,010	1,665,787	(1,052,223)
Expenditures:				
Capital outlays	8,891,169	8,891,169	182,693	8,708,476
Total expenditures	8,891,169	8,891,169	182,693	8,708,476
Net change in fund balance	(6,173,159)	(6,173,159)	1,483,094	7,656,253
Fund balance, beginning of year	6,173,159	6,173,159	6,173,159	-
Fund balance, end of year	\$ -	\$ -	\$ 7,656,253	\$ 7,656,253

CITY OF VILLA RICA, GEORGIA
2022 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 8,064,000	\$ 8,064,000	\$ 961,877	\$ (7,102,123)
Interest	-	-	11	11
Total revenues	8,064,000	8,064,000	961,888	(7,102,112)
Net change in fund balance	8,064,000	8,064,000	961,888	(7,102,112)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ 8,064,000	\$ 8,064,000	\$ 961,888	\$ (7,102,112)

CITY OF VILLA RICA, GEORGIA
CAPITAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 1,746,397	\$ 2,890,397	\$ -	\$ (2,890,397)
Total revenues	1,746,397	2,890,397	-	(2,890,397)
Expenditures:				
Capital outlays	2,314,323	3,744,323	1,235	3,743,088
Total expenditures	2,314,323	3,744,323	1,235	3,743,088
Deficiency of revenues over expenditures	(567,926)	(853,926)	(1,235)	(852,691)
Other financing sources:				
Transfers in	567,926	853,926	853,926	-
Total other financing sources	567,926	853,926	853,926	-
Net change in fund balance	-	-	852,691	(852,691)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 852,691	\$ (852,691)

CITY OF VILLA RICA, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Interest	\$ -	\$ -	\$ 712	\$ 712
Total revenues	-	-	712	712
Expenditures:				
Interest	1,653,058	1,653,058	-	1,653,058
Excess (deficiency) of revenues over expenditures	(1,653,058)	(1,653,058)	712	1,653,770
Other financing sources:				
Transfers in	1,653,058	1,653,058	1,653,058	-
Total other financing sources	1,653,058	1,653,058	1,653,058	-
Net change in fund balance	-	-	1,653,770	1,653,770
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,653,770</u>	<u>\$ 1,653,770</u>

CITY OF VILLA RICA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
2015 Issue					
Water and sewer facilities and equipment including debt service for WWRF capital improvements	\$ 1,644,000	\$ 880,346	\$ 845,456	\$ 9,890	\$ 855,346
Library	1,375,999	1,375,999	1,375,999	-	1,375,999
Public Safety	643,725	410,707	410,707	-	410,707
Streets and sidewalks	2,224,401	3,108,680	2,302,479	388,544	2,691,023
Recreation	1,379,075	2,095,264	2,044,389	19,068	2,063,457
Administration	-	338,747	338,747	-	338,747
Economic development	-	129,029	129,029	-	129,029
Total 2015 SPLOST	<u>\$ 7,267,200</u>	<u>\$ 8,338,772</u>	<u>\$ 7,446,806</u>	<u>\$ 417,502</u>	<u>\$ 7,864,308</u>
2016 Issue					
Transportation and streets	\$ 2,179,408	\$ 2,460,738	\$ 1,240,313	\$ 12,507	\$ 1,252,820
Water and sewerage	1,851,472	2,090,470	1,078,088	6,150	1,084,238
Public safety	804,810	1,130,176	773,615	216,356	989,971
Fire and EMS	944,182	844,585	327,907	-	327,907
Parks and recreation	1,052,128	1,187,942	195,243	14,714	209,957
Total 2016 SPLOST	<u>\$ 6,832,000</u>	<u>\$ 7,713,911</u>	<u>\$ 3,615,166</u>	<u>\$ 249,727</u>	<u>\$ 3,864,893</u>
2021 Issue					
Punkintown Road	\$ 4,008,300	\$ 4,008,300	\$ 117,132	\$ 142,727	\$ 259,859
Transportation and streets	3,000,000	3,000,000	-	39,966	39,966
Parks and recreation	1,000,000	1,000,000	-	-	-
Economic development	1,000,000	1,000,000	-	-	-
Total 2021 SPLOST	<u>\$ 9,008,300</u>	<u>\$ 9,008,300</u>	<u>\$ 117,132</u>	<u>\$ 182,693</u>	<u>\$ 299,825</u>
2022 Issue					
Transportation and streets	\$ 2,999,808	\$ 2,999,808	\$ -	\$ -	\$ -
Public safety	1,048,320	1,048,320	-	-	-
Infrastructure	4,015,872	4,015,872	-	-	-
Total 2022 SPLOST	<u>\$ 8,064,000</u>	<u>\$ 8,064,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DISCRETELY PRESENTED COMPONENT UNITS

CITY OF VILLA RICA, GEORGIA
BALANCE SHEET
COMPONENT UNIT - VILLA RICA INDUSTRIAL DEVELOPMENT AUTHORITY
SEPTEMBER 30, 2023

ASSETS	Villa Rica Industrial Development Authority
Cash	\$ 364,067
Investments	700,991
Accounts receivable	<u>1,971</u>
Total assets	<u>\$ 1,067,029</u>
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 105
Due to City of Villa Rica	<u>157,100</u>
Total liabilities	<u>157,205</u>
FUND BALANCES	
Restricted:	
Economic development	<u>909,824</u>
Total fund balance	<u>909,824</u>
Total liabilities and fund balance	<u>\$ 1,067,029</u>

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
COMPONENT UNIT - VILLA RICA INDUSTRIAL DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Villa Rica Industrial Development Authority
Revenues:	
Investment earnings	\$ 25,249
Total revenues	<u>25,249</u>
Expenditures:	
Current:	
Economic development	<u>97,605</u>
Total expenditures	<u>97,605</u>
Net change in fund balance	(72,356)
Fund balance, beginning of period	<u>982,180</u>
Fund balance, end of period	<u><u>\$ 909,824</u></u>

CITY OF VILLA RICA, GEORGIA
BALANCE SHEET
COMPONENT UNIT - VILLA RICA DOWNTOWN DEVELOPMENT AUTHORITY
SEPTEMBER 30, 2023

	Villa Rica Downtown Development Authority
ASSETS	
Cash and cash equivalents	\$ 45,628
Total assets	<u>\$ 45,628</u>
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Due to primary government	\$ 179
Total liabilities	<u>49,000</u>
FUND BALANCE	
Unassigned (deficit)	<u>(3,551)</u>
Total fund balance	<u>(3,551)</u>
Total liabilities and fund balance	<u>\$ 45,628</u>

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
COMPONENT UNIT - VILLA RICA DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Villa Rica Downtown Development Authority
Revenues:	
Charges for services	\$ -
Investment earnings	232
Miscellaneous	1,865
Total revenues	<u>2,097</u>
Expenditures:	
Current:	
Economic development	<u>45,085</u>
Net change in fund balance	(42,988)
Fund balance, beginning of period	<u>39,437</u>
Fund deficit, end of period	<u><u>\$ (3,551)</u></u>

STATISTICAL SECTION

STATISTICAL SECTION

(Unaudited)

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

CITY OF VILLA RICA, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	12/2014 (1)	12/2015	12/2016	12/2017	9/2018 (2)
Governmental Activities					
Net Investment in capital assets	\$ 23,064,667	\$ 23,376,912	\$ 24,631,631	\$ 25,581,609	\$ 27,495,408
Restricted	2,326,672	2,946,353	1,796,702	2,263,462	820,694
Unrestricted	(27,917,223)	(27,955,224)	(27,862,880)	(27,531,954)	(27,407,528)
Total governmental activities net position	\$ (2,525,884)	\$ (1,631,959)	\$ (1,434,547)	\$ 313,117	\$ 908,574
Business-type activities					
Net Investment in capital assets	\$ 54,026,341	\$ 53,535,243	\$ 52,711,362	\$ 51,730,520	\$ 51,111,546
Restricted	-	-	-	-	-
Unrestricted	988,995	1,289,168	2,097,521	3,436,108	3,658,259
Total business-type activities net position	\$ 55,015,336	\$ 54,824,411	\$ 54,808,883	\$ 55,166,628	\$ 54,769,805
Primary government					
Net Investment in capital assets	\$ 77,091,008	\$ 42,820,242	\$ 43,618,398	\$ 43,958,887	\$ 45,628,831
Restricted	2,326,672	2,946,353	1,796,702	2,263,462	820,694
Unrestricted	(26,928,228)	7,425,857	7,959,236	9,257,396	9,302,027
Total primary government net position	\$ 52,489,452	\$ 53,192,452	\$ 53,374,336	\$ 55,479,745	\$ 55,678,379

continued

Notes:

(1) Implementation of GASB 68, *Accounting and Financial Reporting for Pensions* which requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time and to more comprehensively and comparably measure the annual costs of pension benefits.

(2) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

	9/2019		9/2020		9/2021		9/2022		9/2023
\$	27,150,274	\$	27,271,385	\$	27,571,991	\$	27,007,898	\$	26,104,306
	2,369,296		3,733,813		9,000,419		11,082,384		16,431,198
	(25,385,896)		(22,938,191)		(22,972,052)		(20,720,090)		(18,454,810)
\$	4,133,674	\$	8,067,007	\$	13,600,358	\$	17,370,192	\$	24,080,694

\$	51,095,904	\$	51,368,464	\$	51,261,026	\$	53,233,962	\$	54,582,413
	-		-		-		-		-
	5,181,640		6,023,630		6,072,458		10,074,814		8,346,637
\$	56,277,544	\$	57,392,094	\$	57,333,484	\$	63,308,776	\$	62,929,050

\$	45,651,654	\$	78,639,849	\$	48,065,012	\$	80,241,860	\$	80,686,719
	2,369,296		3,733,813		9,000,419		11,082,384		16,431,198
	12,390,268		(16,914,561)		13,868,411		(10,645,276)		(10,108,173)
\$	60,411,218	\$	65,459,101	\$	70,933,842	\$	80,678,968	\$	87,009,744

CITY OF VILLA RICA, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	12/2014	12/2015	12/2016	12/2017
Expenses				
Governmental activities:				
General government	\$ 846,657	\$ 2,240,151	\$ 1,889,057	\$ 1,970,169
Judicial	219,206	118,003	126,958	155,784
Public safety	3,228,101	3,598,334	4,136,348	4,319,969
Public works	2,490,499	2,136,417	1,911,665	2,378,939
Housing and development	522,374	434,965	685,524	921,503
Health and welfare	197,633	195,254	202,580	227,141
Culture and recreation	2,207,497	2,228,525	2,293,240	2,731,102
Interest on long-term debt	1,728,076	1,326,673	1,344,470	1,333,151
Total governmental activities expenses	11,440,043	12,278,322	12,589,842	14,037,758
Business-type activities:				
Water and sewer	4,824,998	4,438,097	5,050,925	4,719,234
Solid waste	859,068	778,358	839,843	947,077
Stormwater	-	-	-	-
Total business-type activities expenses	5,684,066	5,216,455	5,890,768	5,666,311
Total primary government expenses	\$ 17,124,109	\$ 17,494,777	\$ 18,480,610	\$ 19,704,069
Component units:				
Villa Rica Industrial Development Authority	\$ 28,357	\$ 28,783	\$ 40,872	\$ 42,960
Villa Rica Downtown Development Authority	8,958	7,580	8,530	96,162
Total component unit expenses	\$ 37,315	\$ 36,363	\$ 49,402	\$ 139,122
Program Revenues				
Governmental activities:				
Charges for service:				
General government	\$ 494	\$ 81,819	\$ 61,807	\$ 440,433
Judicial	551,956	470,045	527,344	656,508
Public safety	-	2,402	9,331	13,810
Public works	8,990	1,605	1,285	5,525
Health and welfare	-	438,871	403,467	439,047
Culture and recreation	461,688	131,056	168,401	475,577
Housing and development	195,729	-	-	-
Operating grants and contributions	478,226	699,582	302,692	1,202,322
Capital grants and contributions	1,170,507	1,175,651	1,422,653	2,233,372
Total governmental activities program revenues	2,867,590	3,001,031	2,896,980	5,466,594
Business-type activities:				
Charges for services:				
Water and sewer	4,821,054	5,207,284	5,653,759	5,857,818
Solid waste	743,515	831,768	862,475	867,805
Capital grants and contributions	500,000	264,443	322,793	144,031
Total business-type activities program revenues	6,064,569	6,303,495	6,839,027	6,869,654
Total primary government program revenues	\$ 8,932,159	\$ 9,304,526	\$ 9,736,007	\$ 12,336,248

continued

9/2018 (1)		9/2019		9/2020		9/2021		9/2022		9/2023	
\$	881,397	\$	2,179,236	\$	2,252,393	\$	3,155,094	\$	3,051,053	\$	3,562,822
	109,652		193,179		193,567		201,785		211,759		212,384
	3,294,224		5,381,329		5,378,386		5,923,904		5,933,902		6,220,676
	1,899,343		2,325,209		2,724,924		3,428,048		3,258,183		3,319,711
	179,681		249,168		226,466		227,328		256,862		282,199
	1,972,259		2,223,989		2,435,844		3,451,869		2,951,829		3,131,009
	1,002,085		1,207,817		1,338,005		1,651,512		1,755,540		1,709,264
	964,520		1,323,039		1,309,895		1,290,487		1,235,216		1,866,338
	10,303,161		15,082,966		15,859,480		19,330,027		18,654,344		20,304,403
	3,833,639		5,671,479		5,490,886		6,193,250		6,939,504		7,241,407
	925,278		1,224,268		1,284,004		1,318,076		1,473,408		1,656,123
	-		206,776		197,851		219,873		207,417		253,201
	4,758,917		7,102,523		6,972,741		7,731,199		8,620,329		9,150,731
\$	15,062,078	\$	22,185,489	\$	22,832,221	\$	27,061,226	\$	27,274,673	\$	29,455,134
\$	42,960	\$	43,401	\$	44,153	\$	25,134	\$	154,529	\$	47,313
	96,162		11,613		8,907		5,149		68,948		45,085
\$	139,122	\$	55,014	\$	53,060	\$	30,283	\$	223,477	\$	92,398
\$	9,945	\$	72,023	\$	103,973	\$	51,901	\$	64,502	\$	57,238
	479,575		617,117		614,184		587,542		611,588		435,198
	23,585		19,646		26,527		9,375		8,032		13,854
	5,023		4,670		19,790		13,790		30,750		6,310
	385,036		316,497		114,796		421,641		565,997		698,669
	267,036		665,838		568,116		369,830		464,127		563,461
	-		-		-		-		-		-
	414,040		550,714		1,389,146		567,721		444,962		598,633
	1,978,565		2,720,736		2,831,693		7,098,628		9,386,858		5,296,587
	3,562,805		4,967,241		5,668,225		9,120,428		11,576,816		7,669,950
	5,732,545		9,058,890		9,595,927		9,065,232		9,319,626		10,237,338
	843,581		1,263,850		1,345,477		1,415,708		1,559,751		1,710,902
	259,724		597,322		232,480		331,465		585,445		-
	6,835,850		10,920,062		11,173,884		10,812,405		11,464,822		11,948,240
\$	10,398,655	\$	15,887,303	\$	16,842,109	\$	19,932,833	\$	23,041,638	\$	19,618,190

CITY OF VILLA RICA, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	12/2014	12/2015	12/2016	12/2017
Component Units:				
Charges for services:				
Villa Rica Industrial Development Authority	\$ 87,750	\$ 11,338	\$ -	\$ -
Villa Rica Downtown Development Authority	7,498	53	1,025	72,206
Total Component Unit program revenues	\$ 95,248	\$ 11,391	\$ 1,025	\$ 72,206
Net (Expense)/Revenue				
Governmental activities	\$ (8,566,323)	\$ (9,277,291)	\$ (9,692,862)	\$ (8,571,164)
Business-type activities	380,503	1,087,040	948,259	1,203,343
Total primary government net expense	\$ (8,185,820)	\$ (8,190,251)	\$ (8,744,603)	\$ (7,367,821)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 4,176,958	\$ 3,113,639	\$ 3,348,369	\$ 3,771,161
Sales taxes	2,739,884	2,288,460	2,328,688	2,405,569
Other taxes and miscellaneous	1,144,511	2,829,722	3,028,918	3,118,313
Unrestricted investment earnings	11,738	37,827	9,698	2,967
Miscellaneous	84,253	-	-	9,528
Gain on sale of capital assets	16,964	614,828	211,087	162,920
Transfers	1,443,352	1,286,740	963,514	848,370
Total governmental activities	\$ 9,617,660	\$ 10,171,216	\$ 9,890,274	\$ 10,318,828
Business-type activities				
Investment earnings	\$ 1,692	\$ 875	\$ 2,457	\$ 2,772
Miscellaneous	314,391	7,900	-	-
Gain on sale of capital assets	1,425	-	-	-
Transfers	(1,443,352)	(1,286,740)	(963,514)	(848,370)
Total business-type activities	(1,125,844)	(1,277,965)	(961,057)	(845,598)
Total primary government	\$ 8,491,816	\$ 8,893,251	\$ 8,929,217	\$ 9,473,230
Change in Net Position				
Governmental activities	\$ 1,051,337	\$ 893,925	\$ 197,412	\$ 1,747,664
Business-type activities	(745,341)	(190,925)	(15,528)	357,745
Total primary government	\$ 305,996	\$ 703,000	\$ 181,884	\$ 2,105,409

Notes:

(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

9/2018 (1)	9/2019	9/2020	9/2021	9/2022	9/2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72,206	500	-	-	103,735	-
\$ 72,206	\$ 500	\$ -	\$ -	\$ 103,735	\$ -
\$ (6,740,357)	\$ (10,115,725)	\$ (10,191,255)	\$ (10,209,599)	\$ (7,077,528)	\$ (12,634,453)
2,076,933	3,817,539	4,201,143	3,081,206	2,844,493	2,797,509
\$ (4,663,424)	\$ (6,298,186)	\$ (5,990,112)	\$ (7,128,393)	\$ (4,233,035)	\$ (9,836,944)
\$ 631,999	\$ 3,780,936	\$ 3,944,485	\$ 4,854,855	\$ 5,236,509	\$ 6,092,903
1,992,836	2,921,096	3,095,590	3,486,976	3,964,238	4,432,976
2,042,776	3,868,420	3,758,257	3,989,267	4,510,341	4,925,546
2,592	-	-	387	25,554	157,795
189,060	440,979	202,797	205,245	159,336	176,998
-	15,504	8,168	12,840	-	14,878
2,476,551	2,313,890	3,115,291	3,193,380	(3,048,616)	3,543,859
\$ 7,335,814	\$ 13,340,825	\$ 14,124,588	\$ 15,742,950	\$ 10,847,362	\$ 19,344,955
\$ 2,795	\$ 4,090	\$ 28,698	\$ 19,164	\$ 71,979	\$ 329,712
-	-	-	34,400	10,204	9,481
-	-	-	-	-	27,431
(2,476,551)	(2,313,890)	(3,115,291)	(3,193,380)	3,048,616	(3,543,859)
(2,473,756)	(2,309,800)	(3,086,593)	(3,139,816)	3,130,799	(3,177,235)
\$ 4,862,058	\$ 11,031,025	\$ 11,037,995	\$ 12,603,134	\$ 13,978,161	\$ 16,167,720
\$ 595,457	\$ 3,225,100	\$ 3,933,333	\$ 5,533,351	\$ 3,769,834	\$ 6,710,502
(396,823)	1,507,739	1,114,550	(58,610)	5,975,292	(379,726)
\$ 198,634	\$ 4,732,839	\$ 5,047,883	\$ 5,474,741	\$ 9,745,126	\$ 6,330,776

CITY OF VILLA RICA, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	12/2014	12/2015	12/2016	12/2017
General Fund				
Unreserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	135,245	306,723	588,642	98,234
Committed	-	-	450,000	500,000
Assigned	-	337,134	600,483	1,087,658
Unassigned	6,290,536	6,523,603	5,220,018	5,069,864
Total general fund	\$ 6,425,781	\$ 7,167,460	\$ 6,859,143	\$ 6,755,756
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	2,326,672	2,983,880	1,796,702	2,263,462
Committed	1,102,889	-	24,472	27,689
Assigned	-	-	199,227	48,748
Unassigned (deficit)	-	-	-	-
Total all other governmental funds	\$ 3,429,561	\$ 2,983,880	\$ 2,020,401	\$ 2,339,899
Total all governmental funds	\$ 9,855,342	\$ 10,151,340	\$ 8,879,544	\$ 9,095,655

Notes:

(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

9/2018 (1)	9/2019	9/2020	9/2021	9/2022	9/2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
236,815	331,987	265,570	305,780	389,402	462,132
950,000	950,000	1,000,000	1,000,000	500,000	500,000
79,688	19,192	638,175	877,804	541,726	438,961
3,617,325	5,104,136	5,859,892	6,458,485	8,309,643	9,482,154
\$ 4,883,828	\$ 6,405,315	\$ 7,763,637	\$ 8,642,069	\$ 9,740,771	\$ 10,883,247
\$ -	\$ -	\$ -	8,461	750	1,000
820,694	2,369,296	3,733,813	8,702,559	10,838,329	30,155,937
15,508	52,730	8,354	9,077	5,448	9,575
-	609	283,378	277	-	-
(951)	109,182	-	(3,600)	-	-
\$ 835,251	\$ 2,531,817	\$ 4,025,545	\$ 8,716,774	\$ 10,844,527	\$ 30,166,512
\$ 5,719,079	\$ 8,937,132	\$ 11,789,182	\$ 17,358,843	\$ 20,585,298	\$ 41,049,759

CITY OF VILLA RICA, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	12/2014	12/2015	12/2016	12/2017	9/2018
Revenues					
Taxes	\$ 8,136,232	\$ 8,202,400	\$ 8,710,240	\$ 9,236,397	\$ 4,680,351
Licenses and permits	195,729	211,314	229,187	537,327	275,853
Intergovernmental	1,611,154	1,808,598	1,710,806	3,256,165	1,381,676
Fines and forfeitures	477,302	261,061	359,854	466,094	356,566
Charges for service	551,956	653,423	582,594	650,065	537,781
Interest income	39,329	38,196	10,115	3,323	3,086
Other revenues	121,437	656,893	248,410	234,151	212,755
Total revenues	11,133,139	11,831,885	11,851,206	14,383,522	7,448,068
Expenditures					
General government	753,957	2,153,213	1,773,868	1,616,466	1,330,555
Judicial	216,681	118,330	125,679	154,686	111,680
Public safety	3,058,533	3,607,660	3,887,115	4,055,900	3,294,805
Public works	1,423,163	1,159,921	1,375,220	1,895,374	1,704,649
Health and welfare	197,314	195,735	200,007	224,809	177,939
Culture and recreation	1,862,430	1,874,565	1,914,100	2,303,076	1,711,620
Economic development	521,663	436,596	679,225	918,015	1,040,035
Capital outlay	1,672,916	1,755,468	2,417,914	2,190,317	2,224,974
Debt service					
Interest	2,006,099	1,416,133	1,473,388	1,461,138	1,454,938
Principal	-	556,302	240,000	245,000	250,000
Bond issuance cost	-	-	-	-	-
Total expenditures	11,712,756	13,273,923	14,086,516	15,064,781	13,301,195
Excess of revenues over (under) expenditures	(579,617)	(1,442,038)	(2,235,310)	(681,259)	(5,853,127)
Other Financing Sources (Uses)					
Transfers in	2,789,659	2,717,354	3,813,500	3,419,736	2,866,579
Transfers out	(1,346,308)	(1,430,614)	(2,849,986)	(2,571,366)	(390,028)
Bonds issued	-	33,860,000	-	-	-
Premium on bonds issued	-	4,835,048	-	-	-
Payment to refunded bond escrow agent	-	(38,434,806)	-	-	-
Sale of capital assets	16,964	-	-	49,000	-
Total other financing sources (uses)	1,460,315	1,546,982	963,514	897,370	2,476,551
Net change in fund balances	\$ 880,698	\$ 104,944	\$ (1,271,796)	\$ 216,111	\$ (3,376,576)
Debt service as a percentage of noncapital expenditures	24.97%	20.66%	17.21%	15.28%	18.19%

	9/2019		9/2020		9/2021		9/2022		9/2023
\$	10,756,673	\$	10,807,499	\$	12,327,620	\$	13,706,739	\$	15,453,001
	736,444		670,512		419,688		526,227		617,461
	3,098,476		4,025,156		8,880,966		9,678,425		3,854,035
	530,235		525,388		483,479		519,280		363,487
	429,112		251,485		550,912		699,489		793,782
	4,313		27,895		26,412		153,771		997,598
	534,181		238,345		260,228		192,271		209,550
	16,089,434		16,546,280		22,949,305		25,476,202		22,288,914
	1,899,096		2,077,177		2,379,395		2,875,659		3,443,863
	193,620		190,446		199,153		221,022		219,729
	4,649,375		5,029,924		5,042,877		5,559,011		5,905,842
	1,896,409		2,263,622		2,653,665		2,658,744		2,900,490
	250,741		223,343		224,808		261,956		285,136
	2,008,815		1,955,858		2,043,574		2,308,615		2,642,958
	1,213,665		1,258,605		1,527,899		1,777,129		1,731,454
	1,395,142		1,668,101		4,306,042		1,693,841		6,630,527
	1,447,288		735,000		855,000		880,000		1,210,000
	260,000		1,432,363		1,408,513		995,533		1,194,705
	-		-		-		365,218		322,177
	15,214,151		16,834,439		20,640,926		19,596,728		26,486,881
	875,283		(288,159)		2,308,379		5,879,474		(4,197,967)
	3,329,235		3,814,423		4,767,757		9,961,534		7,165,055
	(1,015,345)		(682,382)		(1,519,315)		(13,010,150)		(3,562,366)
	-		-		-		31,880,000		20,985,000
	-		-		-		-		-
	-		-		-		(31,484,403)		-
	28,880		8,168		12,840		-		74,739
	2,342,770		3,140,209		3,261,282		(2,653,019)		24,662,428
\$	3,218,053	\$	2,852,050	\$	5,569,661	\$	3,226,455	\$	20,464,461
	14.10%		16.67%		12.18%		10.10%		12.13%

CITY OF VILLA RICA, GEORGIA

TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Excise Tax	Franchise Tax	Insurance Premium Tax	Hotel/Motel Tax	Other	Total
12/2014	\$ 2,672,243	\$ 2,214,750	\$ 282,875	\$ 1,177,178	\$ 752,714	\$ 121,130	\$ 840,464	\$ 8,061,353
12/2015	3,113,639	2,288,460	288,093	1,177,544	804,151	109,438	450,496	8,231,821
12/2016	3,348,369	2,328,688	296,599	1,238,834	871,052	130,506	491,927	8,705,975
12/2017	3,771,161	2,405,569	299,585	1,151,519	933,311	179,033	554,865	9,295,043
9/2018 ⁽¹⁾	631,999	1,992,836	224,312	161,639	1,006,675	252,081 ⁽²⁾	398,069	4,667,611
9/2019	3,780,936	2,921,096	328,438	1,352,028	1,069,008	329,530	789,416	10,570,452
9/2020	3,953,652	3,095,590	308,100	1,344,327	1,128,055	288,410	689,365	10,807,499
9/2021	4,854,855	3,486,976	336,384	1,316,112	1,166,067	379,580	791,124	12,331,098
9/2022	5,236,509	3,964,238	303,573	1,404,205	1,461,039	462,337	879,187	13,711,088
9/2023	6,094,479	4,432,976	289,173	1,586,706	1,506,161	468,692	1,074,814	15,453,001

Notes:

(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

(2) The Hotel/Motel Tax rate increased from 5% to 8% in 2017.

CITY OF VILLA RICA, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS - CARROLL COUNTY

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
12/2013	2013	\$ 185,214,423	\$ 90,241,140	\$ 5,471,104	\$ 20,102,435	\$ (33,225,010)	\$ 267,804,092	6.775	\$ 669,510,230	40.00
12/2014	2014	185,080,187	88,699,984	5,646,388	17,942,723	(39,214,037)	258,155,245	6.630	645,388,113	40.00
12/2015	2015	188,912,127	89,264,678	5,756,077	11,042,923	(43,032,866)	251,942,939	6.500	629,857,348	40.00
12/2016	2016	216,666,769	130,867,680	5,918,751	8,745,216	(59,783,393)	302,415,023	6.500	756,037,558	40.00
12/2017	2017	241,551,697	110,788,455	6,988,845	7,181,755	(48,165,421)	318,345,331	6.365	795,863,328	40.00
9/2018	n/a									
9/2019	2018	259,642,495	120,790,187	6,280,258	6,204,882	(55,086,068)	337,831,754	6.056	844,579,385	40.00
9/2020	2019	294,575,301	148,490,299	6,536,732	3,573,372	(61,068,593)	392,107,111	5.743	980,267,778	40.00
9/2021	2020	334,201,560	146,780,002	7,061,872	4,510,322	(55,888,243)	436,665,513	6.250	1,091,663,783	40.00
9/2022	2021	355,978,833	145,574,445	7,115,716	3,783,788	(62,598,473)	449,854,309	6.250	1,124,635,773	40.00
9/2023	2022	408,506,799	172,063,297	7,351,910	5,190,594	(81,299,576)	511,813,024	6.250	1,279,532,560	40.00

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value. The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.

Source: Georgia Department of Revenue

Source: <https://apps.dor.ga.gov/digestconsolidation/DisplayDigest.aspx>

CITY OF VILLA RICA, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS - DOUGLAS COUNTY

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
12/2013	2013	\$ 147,182,235	\$ 18,740,938	\$ 982,341	\$ 14,237,550	\$ (11,335,479)	\$ 169,807,585	6.775	\$ 424,518,963	40.00
12/2014	2014	151,545,511	23,373,304	1,631,422	11,792,520	(21,667,475)	166,675,282	6.630	416,688,205	40.00
12/2015	2015	162,632,635	22,803,179	2,226,719	7,851,060	(18,900,819)	176,612,774	6.500	441,531,935	40.00
12/2016	2016	177,273,269	37,110,555	1,649,637	5,463,070	(34,176,077)	187,320,454	6.500	468,301,135	40.00
12/2017	2017	189,158,214	42,456,261	1,864,397	3,922,340	(29,028,185)	208,373,027	6.365	520,932,568	40.00
9/2018	n/a									
9/2019	2018	212,209,120	55,298,431	1,865,361	2,705,670	(29,609,513)	242,469,069	6.056	606,172,673	40.00
9/2020	2019	232,835,760	74,194,141	2,597,521	2,279,320	(69,253,162)	242,653,580	5.743	606,633,950	40.00
9/2021	2020	256,703,775	69,903,991	2,597,521	2,098,664	(65,195,766)	266,108,185	6.250	665,270,463	40.00
9/2022	2021	270,119,972	57,964,486	3,094,811	1,527,170	(55,454,136)	277,252,303	6.250	693,130,758	40.00
9/2023	2022	347,587,650	76,540,041	3,322,947	1,287,900	(73,133,015)	355,605,523	6.250	889,013,808	40.00

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value. The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.
Source: Georgia Department of Revenue

Source: <https://apps.dor.ga.gov/digestconsolidation/DisplayDigest.aspx>

CITY OF VILLA RICA, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS

<u>Fiscal Year</u>		<u>County/BOE</u>	<u>SPLOST Sales Tax</u>	<u>State of Georgia Sales Tax</u>	<u>Total Direct & Overlapping Rates</u>
2014	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	-	4.00	6.00
2015	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	-	4.00	6.00
2016	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2017	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2018	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2019	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2020	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2021	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2022	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2023	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00

Source: Georgia Department of Revenue

CITY OF VILLA RICA, GEORGIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN TAX YEARS
(rate per \$1,000 of assessed value)

Tax Year	County	Direct Rates			Overlapping Rates Douglas County			Overlapping Rates Carroll County			Total Direct & Overlapping Rates
		City of Villa Rica	Bond City of Villa Rica	Total Direct	Douglas County	Board of Education	State of Georgia	Carroll County	Board of Education	State of Georgia	
2013	Carroll	6.775	-	6.775	-	-	-	8.500	19.500	0.150	34.93
	Douglas	6.775	-	6.775	12.250	21.650	0.150	-	-	-	40.83
2014	Carroll	6.630	-	6.630	-	-	-	8.482	19.500	0.100	34.71
	Douglas	6.630	-	6.630	12.153	21.350	0.100	-	-	-	40.23
2015	Carroll	6.500	-	6.500	-	-	-	8.414	19.500	0.050	34.46
	Douglas	6.500	-	6.500	11.809	21.100	0.050	-	-	-	39.46
2016	Carroll	6.500	-	6.500	-	-	-	8.349	18.001	-	32.85
	Douglas	6.500	-	6.500	11.267	21.000	-	-	-	-	38.77
2017	Carroll	6.365	-	6.365	-	-	-	8.342	17.998	-	32.71
	Douglas	6.365	-	6.365	10.768	20.950	-	-	-	-	38.08
2018	Carroll	6.056	-	6.056	-	-	-	8.261	17.998	-	32.32
	Douglas	6.056	-	6.056	10.213	20.900	-	-	-	-	37.17
2019	Carroll	5.743	-	5.743	-	-	-	7.880	17.998	-	31.62
	Douglas	5.743	-	5.743	10.213	19.650	-	-	-	-	35.61
2020	Carroll	6.250	-	6.250	-	-	-	7.668	17.998	-	31.92
	Douglas	6.250	-	6.250	12.563	20.600	-	-	-	-	39.41
2021	Carroll	6.250	-	6.250	-	-	-	7.639	17.998	-	31.89
	Douglas	6.250	-	6.250	12.563	20.050	-	-	-	-	38.86
2022	Carroll	6.250	-	6.250	-	-	-	7.580	17.500	-	31.33
	Douglas	6.250	-	6.250	12.563	20.000	-	-	-	-	38.81

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

Source: Georgia Department of Revenue

CITY OF VILLA RICA, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Tax Year	County	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
12/31/2013	2013	Carroll	\$ 1,814,373					
		Douglas	1,150,446					
			<u>\$ 2,964,819</u>	\$ 2,399,845	80.94%	\$ 564,708	\$ 2,964,553	99.99%
12/31/2014	2014	Carroll	\$ 1,711,569					
		Douglas	1,105,057					
			<u>\$ 2,816,626</u>	2,539,192	90.15%	277,156	2,816,348	99.99%
12/31/2015	2015	Carroll	\$ 1,637,629					
		Douglas	1,147,983					
			<u>\$ 2,785,612</u>	2,504,073	89.89%	281,257	2,785,330	99.99%
12/31/2016	2016	Carroll	\$ 1,965,698					
		Douglas	1,217,583					
			<u>\$ 3,183,281</u>	2,806,135	88.15%	374,639	3,180,774	99.92%
12/31/2017	2017	Carroll	\$ 2,026,268					
		Douglas	1,326,294					
			<u>\$ 3,352,562</u>	3,210,822	95.77%	141,007	3,351,829	99.98%
9/30/2018	n/a							
9/30/2019	2018	Carroll	\$ 2,045,909					
		Douglas	1,468,393					
			<u>\$ 3,514,302</u>	3,363,024	95.70%	143,718	3,506,741	99.78%
9/30/2020	2019	Carroll	\$ 2,251,871					
		Douglas	1,393,560					
			<u>\$ 3,645,431</u>	3,407,834	93.48%	205,957	3,613,791	99.13%
9/30/2021	2020	Carroll	\$ 2,700,970					
		Douglas	1,637,360					
			<u>\$ 4,338,330</u>	4,198,717	96.78%	107,039	4,305,757	99.25%
9/30/2022	2021	Carroll	\$ 2,787,871					
		Douglas	1,708,789					
			<u>\$ 4,496,660</u>	4,453,388	99.04%	21,228	4,474,616	99.51%
9/30/2023	2022	Carroll	\$ 3,128,373					
		Douglas	2,193,119					
			<u>\$ 5,321,492</u>	5,213,818	97.98%	29,109	5,242,926	98.52%

Notes:

The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.

CITY OF VILLA RICA, GEORGIA

PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO

Fiscal Year 2023 (Digest Year 2022)

Taxpayer	Taxable Assessed		County	Rank	Percentage of Total Taxable Assessed
	Value				Value
Printpack Inc	\$ 52,604,133		Carroll	1	3.23%
Development Authority of Douglas Co	20,622,301		Douglas	2	2.47%
Sugar Foods Corp	26,453,019		Carroll	3	1.77%
Hawthorn-Midway Mirror Lake LLC	12,500,000		Douglas	4	1.47%
Intercapital Villa Rica Associates LP	10,000,000		Carroll	5	1.20%
Flowers Foods Inc	9,811,694		Carroll	6	1.06%
3101 Place Owner LLC	8,457,682		Carroll	7	1.01%
Four Plus Villa Rica LLC	7,139,967		Carroll	8	0.86%
AMH Development LLC	6,071,720		Douglas	9	0.73%
Sams East Inc	4,896,738		Carroll	10	0.59%
Total	\$ 158,557,254				14.39%

Fiscal Year 12/2014 (Digest Year 2014)

Taxpayer	Taxable Assessed		County	Rank	Percentage of Total Taxable Assessed
	Value				Value
Printpack Inc	\$34,288,435		Carroll	1	6.99%
Sugar Foods Corp	16,429,503		Carroll	2	3.87%
Southwire Company	15,590,890		Douglas	3	3.67%
Flowers Food, Inc	8,721,011		Carroll	4	2.05%
Villa Rica Development Authority	4,584,624		Carroll	5	1.08%
The Preserve at Mirror Lake, LLC	4,192,560		Douglas	6	0.99%
SPG Villa Rica, LLC	3,997,205		Carroll	7	0.94%
Hickory Falls Apartments	3,820,677		Carroll	8	0.90%
Georgia Power	3,460,240		Douglas	9	0.83%
Villa Rica Ascott Ltd Partnership	3,306,067		Douglas	10	0.78%
Total	\$ 98,391,212				22.10%

Sources: Carroll and Douglas County Tax Commissioner's Offices
Total Gross City Tax Digest

CITY OF VILLA RICA, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year				Business-type Activities		Total Primary Government	Per Capita
	Leases	Revenue Bonds	GO Bonds	Note Payable			
12/2013	\$ 325,357	\$ 34,905,000	\$ -	\$ -		\$ 35,230,357	\$ 2,524
12/2014	66,302	34,905,000	-	-		34,971,302	2,379
12/2015	-	38,032,917	-	-		38,032,917	2,587
12/2016	-	37,501,391	-	-		37,501,391	2,551
12/2017	-	36,965,830	-	-		36,965,830	2,515
9/2018	-	36,426,501	-	-		36,426,501	2,478
9/2019	-	35,878,694	-	-		35,878,694	2,234
9/2020	-	34,858,855	-	-		34,858,855	2,171
9/2021	-	33,723,759	-	81,365		33,805,124	1,992
9/2022	-	31,880,000	-	300,645		32,180,645	1,805
9/2023	-	51,655,000	-	3,750,551		55,405,551	3,003

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

CITY OF VILLA RICA, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for GO Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita
12/2014	\$ -	\$ -	\$ -	0.00%	\$ -
12/2015	-	-	-	0.00%	-
12/2016	-	-	-	0.00%	-
12/2017	-	-	-	0.00%	-
9/2018	-	-	-	0.00%	-
9/2019	-	-	-	0.00%	-
9/2020	-	-	-	0.00%	-
9/2021	-	-	-	0.00%	-
9/2022	-	-	-	0.00%	-
9/2023	-	-	-	0.00%	-

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

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

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

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

CITY OF VILLA RICA, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year									
	12/2014	12/2015	12/2016	12/2017	9/2018	9/2019	9/2020	9/2021	9/2022	9/2023
Assessed Property Value	\$ 424,830,527	\$ 428,555,713	\$ 489,735,477	\$ 526,718,358	n/a	\$ 580,300,823	\$ 634,760,691	\$ 702,773,698	\$ 727,106,612	\$ 867,418,547
Debt limit (10%)	\$ 42,483,053	\$ 42,855,571	\$ 48,973,548	\$ 52,671,836	n/a	\$ 58,030,082	\$ 63,476,069	\$ 70,277,370	\$ 72,710,661	\$ 86,741,855
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 42,483,053	\$ 42,855,571	\$ 48,973,548	\$ 52,671,836	n/a	n/a	\$ 63,476,069	\$ 70,277,370	\$ 72,710,661	\$ 86,741,855
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	n/a	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation for Fiscal Year 2023										
Assessed value										-
Add back exempt real property										-
Total assessed value										-
Debt limit (10% of total assessed value)										-
Debt applicable to limit:										-
General obligation bonds										-
Less: Amount set aside for repayment of general obligation debt										-
Total net debt applicable to limit										-
Legal debt margin										\$ -

Source: 2022 Tax Millage Rate and 5 Year History

Note: Under Article 9, Section 5, Paragraph I of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed value of all taxable property located within that City.

CITY OF VILLA RICA, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT SEPTEMBER 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Overlapping Debt (2)(3)			
Carroll County Board of Education (June 30, 2021)			
General obligation bonds	\$ 45,980,000	8.47%	\$ 3,895,097
Leases	-	8.47%	-
Financed purchases	279,060	8.47%	23,640
Carroll County (June 30, 2022):			
General obligation bonds	27,780,000	8.47%	2,353,323
Leases	-	8.47%	-
Financed purchases	2,727,000	8.47%	231,012
Douglas County Board of Education (June 30, 2022)			
General obligation bonds	105,300,000	5.36%	5,645,022
Leases	-	5.36%	-
Financed purchases	-	5.36%	-
Douglas County (Dec 31, 2021)			
General obligation bonds	4,080,000	5.36%	218,725
Leases	-	5.36%	-
Financed purchases	2,728,404	5.36%	146,267
Total Overlapping Debt			<u>12,513,086</u>
City Direct Debt			
General obligation/Revenue bonds	51,655,000	100.00%	51,655,000
Leases	-	100.00%	-
Notes payable	3,750,551	100.00%	3,750,551
Total Direct Debt			<u>55,405,551</u>
Total Direct and Overlapping Debt			<u><u>\$ 67,918,637</u></u>

Notes:

(1) Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's geographic boundaries and dividing it by each government's total assessed value.

(2) Underlying governments are those that coincide, at least in part, with the geographic boundaries of the City.

(3) Source - Each specific government.

CITY OF VILLA RICA, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income (Dollars)	Median Property Value	Average Unemployment Rate		
					City	State - GA	U.S.
2014	14,700	\$ 4,787,672	\$ 32,569	\$ 124,000	7.36%	7.10%	6.16%
2015	14,700	4,998,706	34,005	119,500	6.35%	5.98%	5.28%
2016	14,700	5,141,501	34,976	127,700	5.54%	5.37%	4.88%
2017	14,700	5,285,414	35,955	139,700	4.87%	4.70%	4.35%
2018	14,700	5,457,551	37,126	157,900	4.13%	3.96%	3.89%
2019	16,058	6,189,363	38,544	168,000	3.53%	3.43%	3.67%
2020	16,058	6,630,375	41,290	182,000	7.14%	6.42%	8.12%
2021	16,970	7,814,779	46,051	206,000	4.32%	3.83%	5.36%
2022	17,830	8,479,013	47,555	281,250	3.30%	3.05%	3.68%
2023	18,452	N/A	N/A	343,750	2.80%	3.20%	3.70%

Sources: U.S. Census Bureau
<https://apps.bea.gov/iTable/iTable.cfm?ReqID=70&step=1&isuri=1&acrdn=5>
<https://www.homefacts.com/unemployment/Georgia/Douglas-County/Villa-Rica.html>
 US Bureau of Labor Statistics

N/A Not available

Note: Personal income and per capita income for 2023 are not available at time of publishing.

CITY OF VILLA RICA, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2023		
Employer	Employees	Rank
Flowers Baking Company of Villa Rica	447	1
Crown Corr, Inc	350	2
Walmart Stores East LP #2732	332	3
East-West Express, Inc	311	4
Children's Healthcare of Atlanta Cardiology, Inc.	298	5
Martin's Restaurant	284	6
Verida, Inc.	282	7
Sugar Foods Corporation	250	8
Marietta Eye Clinic	241	9
Print Pack, Inc.	230	10
Total	3,025	

2014		
Employer	Employees	Rank
Tanner Medical Center	750	1
PrintPack	468	2
Flowers Baking Co	425	3
Sugar Foods	340	4
Carroll County Board of Education	207	5
Walmart	170	6
Home Depot	149	7
McNeilus Truck & Manufacturing	128	8
City of Villa Rica	124	9
Publix	68	10
Total	2,828	

Sources: Carroll County Chamber of Commerce & Douglas County Chamber of Commerce

CITY OF VILLA RICA, GEORGIA

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

Function	12/2014	12/2015	12/2016	12/2017	9/2018 ⁽¹⁾	9/2019	9/2020	9/2021 ⁽²⁾	9/2022	9/2023
Governmental activities:										
General government	9.0	9.0	9.0	12.5	13.0	15.5	16.0	17.0	19.0	19.5
Municipal court	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Public safety	45.0	45.0	49.0	51.4	51.7	57.3	58.3	61.3	57.0	56.8
Public works	10.0	9.0	10.0	10.0	13.5	20.7	21.7	21.7	25.0	22.0
Culture and recreation	26.7	26.7	27.2	29.9	30.0	28.9	28.9	24.2	23.9	23.9
Community development	4.5	5.0	6.0	9.5	10.5	12.2	12.0	16.7	18.8	18.8
Total - Governmental activities	<u>96.2</u>	<u>95.7</u>	<u>102.2</u>	<u>114.3</u>	<u>119.7</u>	<u>136.6</u>	<u>138.9</u>	<u>142.9</u>	<u>145.7</u>	<u>143.0</u>
Business activities:										
Water and sewer fund	20.0	22.0	23.0	23.0	25.0	30.0	31.0	32.0	35.0	34.0
Solid waste fund	4.0	4.0	4.0	7.0	7.0	6.0	6.0	6.0	7.0	7.0
Stormwater fund	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total - business-type activities	<u>25.0</u>	<u>27.0</u>	<u>29.0</u>	<u>32.0</u>	<u>34.0</u>	<u>38.0</u>	<u>39.0</u>	<u>40.0</u>	<u>44.0</u>	<u>43.0</u>
Total City	<u>121.2</u>	<u>122.7</u>	<u>131.2</u>	<u>146.3</u>	<u>153.7</u>	<u>174.6</u>	<u>177.9</u>	<u>182.9</u>	<u>189.7</u>	<u>186.0</u>

Notes:

(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

(2) In 2021 the City reorganized Pine Mountain Gold Museum, moving it from Culture and Recreation to Community/Economic Development/Tourism.

CITY OF VILLA RICA, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Arrests	120	137	142	173	197	173	222	227	182	182(1)
Incident Reports	2,107	2,241	2,116	2,260	2,199	2,060	1,897	2,260	2,135	2,135(1)
Citations	3,343	4,019	4,208	5,254	4,235	5,140	3,956	4,117	3,697	3,697(1)
Public Works										
Stormwater Infrastructure Repairs	22	28	50	42	28	35	29	49	37	44
Community Development										
Building permits issued	29	34	49	94	207	277	281	156	160	193
Water and Sewer										
Number of residential customers, water	5,503	5,488	5,488	5,528	5,632	5,875	6,071	6,190	6,275	6,316
Number of residential customers, sewer	4,123	4,137	4,200	4,246	4,374	4,604	4,793	4,887	4,964	5,315
Solid Waste										
Number of residential customers	3,633	3,670	3,665	3,697	4,365	4,574	4,843	4,967	5,073	5,422

Sources: Various City departments

(1) Metrics were not available at time of publishing. 2022 numbers are reflected.

CITY OF VILLA RICA, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	12/2014	12/2015	12/2016	12/2017	9/2018	9/2019	9/2020	9/2021	9/2022	9/2023
Public Safety										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of police officers positions	37	38	40	43	46	47	52	55	55	55
Public Works										
Miles of streets	84	84	84	84	84	84	84	84	85	85
Number of traffic lights	12	12	12	12	12	12	12	12	12	12
Number of street lights	1647	1647	1647	1647	1647	1652	1690	1779	1795	1820
Recreation and Culture										
Number of parks	8	9	9	9	9	9	9	9	9	9
Park acreage	284.08	443.33	443.33	443.33	443.33	443.33	443.33	443.33	443.33	443.33
Water and Sewer										
Miles of water mains	137	137	137	137	137	137	137	139	139	139
Miles of sewer mains	89	89	89	89	89	89	89	89	89	89

Sources: Various City departments

COMPLIANCE SECTION



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Villa Rica, Georgia (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 20, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 20, 2024



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Villa Rica, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 20, 2024

CITY OF VILLA RICA, GEORGIA

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

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-through Award Number	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Three Rivers Regional Commission			
Aging Cluster			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	04-045-02-AAA-2023	\$ 69,354
CARES Act - C2	93.045	04-045-02-AAA-2023	12,005
ARPA C1	93.045	04-045-02-AAA-2023	20,376
ARPA C2	93.045	04-045-02-AAA-2023	5,884
NSIP - Administration for Community Living (ACL)	93.053	04-045-02-AAA-2023	31,868
Subtotal - Aging Cluster			<u>139,487</u>
Social Services Block Grant - SSBG-HCBS	93.667	04-045-02-AAA-2023	5,120
Total U.S. Department of Health and Human Services			<u>144,607</u>
U.S. DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership Program	16.607	N/A	1,797
Total U. S. Department of the Treasury			<u>1,797</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Passed through Georgia Environmental Finance Authority			
Drinking Water State Revolving Loan Fund (DWSRF) Cluster	66.468	DW2020024	169,938
Clean Water State Revolving Loan Fund (CWSRF) Cluster	66.458	CW2023008	1,436,664
Total U. S. Environmental Protection Agency			<u>1,606,602</u>
Total Expenditures of Federal Awards			<u>\$ 1,753,006</u>

CITY OF VILLA RICA, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

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

Internal control over financial reporting:

Material weaknesses identified? _____ yes X no

Significant deficiencies identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major program:

Material weaknesses identified? _____ yes X no

Significant deficiencies identified _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
66.458	Clean Water State Revolving Fund (CWSRF) Cluster

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

CITY OF VILLA RICA, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2023

Section II – Financial Statement Findings and Responses

None Reported

Section III – Federal Award Findings and Questioned Costs

None Reported