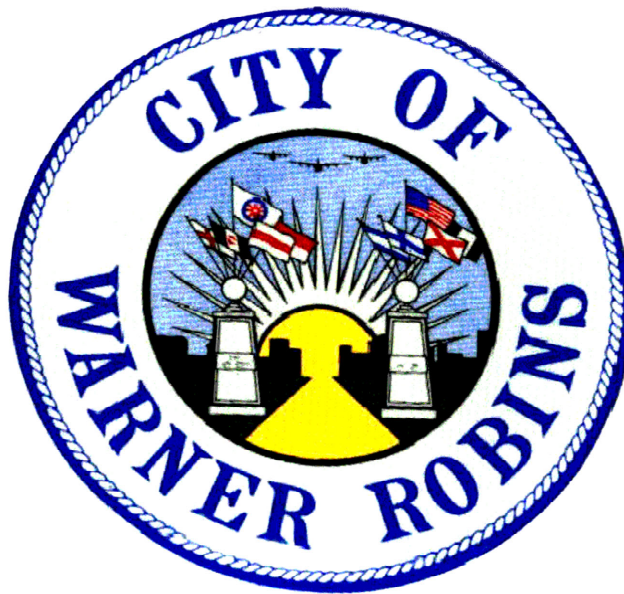


CITY OF WARNER ROBINS, GEORGIA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2023



CITY OF WARNER ROBINS, GEORGIA

TABLE OF CONTENTS

JUNE 30, 2023

Independent Auditor's Report.....	1-3
Management's Discussion and Analysis (Unaudited).....	4-23
 Basic Financial Statements	
<u>Government-wide Financial Statements</u>	
Statement of Net Position	24
Statement of Activities.....	25
 Fund Financial Statements	
<u>Governmental Funds</u>	
Balance Sheet	26
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	27
Statement of Revenues, Expenditures and Changes in Fund Balances	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	29
<u>Proprietary Funds</u>	
Statement of Net Position	30-31
Statement of Revenues, Expenses and Changes in Fund Net Position.....	32
Statement of Cash Flows	33-34
 Notes to the Financial Statements	 35-76
 Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	77
Note to the Required Supplementary Information.....	78
Budgetary Comparison Schedule – American Rescue Plan Fund	79
Schedule of Changes in the City's Net Pension Liability and Related Ratios	80
Schedule of Pension Contributions.....	81
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	82
 Other Supplementary Information	
<u>Nonmajor Governmental Funds</u>	
Combining Balance Sheet	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	84
<u>Bureau of Civic Affairs</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget And Actual	85

CITY OF WARNER ROBINS, GEORGIA

TABLE OF CONTENTS

JUNE 30, 2023

<u>Hotel – Motel Tourism Allocation Board Fund (TAB)</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget And Actual	86
<u>Motor Vehicle Rental Tax Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	87
<u>Community Development Special Revenue Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	88
<u>Law Enforcement Special Revenue Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	89
<u>Recreation Special Revenue Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	90
<u>Tax Allocation District Special Revenue Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	91
<u>Municipal Court Technology Special Revenue Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	92
<u>SPLOST 2006 Capital Projects Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	93
<u>SPLOST 2012 Capital Projects Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	94
<u>Parks and Recreation Capital Projects Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	95
<u>Visitor Center Capital Project Fund</u>	
Schedule of Revenues, Expenditures and Changes in	
Fund Balance – Budget and Actual	96
 <u>Internal Service Funds</u>	
Combining Statement of Net Position	97
Combining Statement of Revenues, Expenses and Changes in Fund Net Position.....	98
Combining Statement of Cash Flows	99
 <u>Water and Sewer System</u>	
Schedule of Bonds Payable with Interest.....	100
 <u>Other</u>	
Schedule of State Requirements	101-103

CITY OF WARNER ROBINS, GEORGIA

TABLE OF CONTENTS

JUNE 30, 2023

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	104-105
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	106-108
Schedule of Expenditures of Federal Awards.....	109
Notes to the Schedule of Expenditures of Federal Awards	110
Schedule of Findings and Questioned Costs.....	111-112
Schedule of Prior Year Audit Findings.....	113



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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Warner Robins Georgia
Warner Robins, Georgia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Warner Robins, Georgia (the "City"), as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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

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

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, Budgetary Comparison Information, Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of Pension Contributions, and the Schedule of Changes in the City's Total OPEB Liability and Related Ratios on pages 4 through 23, and pages 77 through 82, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Nonmajor Fund Financial Statements and Schedules, the Schedule of Bonds Payable with Interest, the Schedule of State Requirements, 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* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements and Schedules, the Schedule of Bonds Payable with Interest, the Schedule of State Requirements, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements and Schedules, the Schedule of State Requirements, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023 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 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 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.

Nichols, Cauley & Associates, LLC

Warner Robins, Georgia
December 29, 2023



**CITY OF WARNER ROBINS, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

The City of Warner Robins' basic financial statements are presented for the fiscal year ended June 30, 2023. The components of the financial statements include Management's Discussion and Analysis (MD&A), Basic Financial Statements, and Other Required Supplementary Information (RSI). The MD&A, a component of RSI, introduces the basic financial statements and provides an analytical overview of the City's financial activities.

FINANCIAL HIGHLIGHTS

For fiscal year 2023, key financial highlights are as follows:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at June 30, 2023 by \$266.4 million. Of this amount the unrestricted net position was \$8.4 million.
- The City's total net position increased by \$24.2 million or 10% in relation to the prior fiscal year end, as restated. Net position of governmental activities increased by \$ 14.4 million, and the net position of business-type activities increased by \$9.8 million.
- On a government-wide basis, the City's total assets and deferred outflow of resources increased by \$ 12.8 million and total liabilities and deferred inflows of resources decreased by \$11.4 million.
- The business-type activities or enterprise funds closed the fiscal year with operating revenues exceeding operating expenses by \$9.4 million, representing an increase of \$6 million from FY 2022.
- As of June 30, 2023, the City's governmental funds reported a combined ending fund balances of \$55.4 million, representing an increase of \$5.6 million or 11.3% in comparison to the previous fiscal year end, as restated. Of this amount, \$21.1 million is designated as unassigned fund balance and is therefore available for spending at the government's discretion.
- For the General Fund, the ending fund balance was \$22.8 million, which increased \$2.1 million or 10.2% from fiscal year 2022 fund balance, as restated.
- The sales tax collections for the 2018 Special Purpose Local Option Sales Tax (SPLOST), which continues through September 2024, totaled \$39.4 million. For fiscal year 2023 alone, this represented an increase of nearly \$3.4 million or 33.2% above projected revenues for referenced period.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Warner Robins' basic financial statements. The City's basic financial statements are composed of the government-wide financial statements, the fund financial statements, and the notes to the financial statements. This report also contains other supplementary information following these financial statements, which may be of interest to the reader.

Reporting the City as a Whole **Government-wide Financial Statements**

The government-wide financial statements, which include the Statement of Net Position and the Statement of Activities answer the question, "How did we do financially during 2023?" These statements report information about the City as a whole, including all assets and liabilities using the accrual basis of accounting. This is similar to the accounting used by most private-sector entities. In addition, this basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid. Further, the statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information regarding how the City's net position changed during the fiscal year is presented in the Statement of Activities. Specifically, from the year-over-year comparison, the reader is able to ascertain if there was an improvement or decline in the City's overall financial performance.

In the Statement of Net Position and the Statement of Activities, the City reports the primary government, which includes the governmental activities as well as the business-type activities. The governmental activities' programs and services reported include general government, judicial, public safety, and recreation. The business-type activities' program services include the natural gas system, water and sewer system, storm water drainage, and sanitation. The City's component units are also reported in the government-wide financial statements. More detailed information regarding the component units can be found in Note 1, Summary of Significant Accounting Policies, of the Financial Statements.

The government-wide financial statements may be found on pages 24 and 25 of this report.

Reporting the City's Most Significant Funds **Fund Financial Statements**

Fund financial statements, unlike the government-wide financial statements, provide more detailed information regarding the City's funds. The City uses various funds to account for a multitude of financial transactions that are necessary for the successful day-to-day operations of the City, with a focus on how money flows into and out of these funds and the balances remaining at year end that are available to meet future expenditure needs. The City's financial statements for all governmental funds are presented on the modified accrual basis of accounting, with the revenues recorded when both measurable and available, and expenditures recorded when the goods or services are received

and the liabilities are incurred. The governmental fund financial statements provide a detailed short-term view of the City's general operations and the basic services provided. Governmental fund financials assist in determining if there are adequate financial resources available that can assist in financing the overall future operational needs of the City and the various stakeholders to which it is indebted to serve. However, the fund financial statements primarily focus on the City's most significant funds. Fund financial statements include statements for governmental and proprietary funds. The City's major governmental funds include the General Fund, American Rescue Plan Fund, 2018 Special Purpose Local Option Sales Tax (SPLOST) Capital Projects Fund, and the Warner Robins Public Facilities Authority (WRPFA) Capital Projects Fund. The City's major proprietary funds include the Natural Gas System Fund, Water and Sewer System Fund, Storm Water Drainage Fund, and Sanitation System Fund.

The governmental fund financial statements can be found on pages 26 through 29 and the proprietary fund financial statements can be found on pages 30 through 34 of this report. The relationship (or differences) between governmental *activities* reported in the Statement of Net Position and the Statement of Activities and governmental *funds* is reconciled in the financial statements and can also be found in this referenced section.

Notes to the Basic Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Note 1 to the financial statements provides detailed information on the elements of the financial statements, which includes a summary of significant accounting policies that assist in interpreting the information presented.

The notes to the financial statements may be found on pages 35 through 76 of this report.

Other Financial Reporting

Combining and individual statements of non-major special revenue governmental funds are presented, providing a comprehensive review of the financial transactions through the respective year-end. The central non-major governmental funds, based on the ending fund balance at June 30, 2023, include the following:

- Bureau of Civic Affairs
- Community Development
- Law Enforcement
- Redevelopment Agency of the City of Warner Robins
- 2012 SPLOST Capital Projects
- Visitor Center Capital Projects

The associated combining and individual statements may be found on pages 83-96.

Internal Service Funds' combining statements, which include the Workers Compensation and Group Health Insurance special revenue funds may be found on pages 97-99.

Table 1 below summarizes the major features of the basic financial statements.

**Table 1:
Major Features of the Basic Financial Statements**

	Government-Wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City Government and any component units	Activities of the City that are not proprietary	Activities of the City that are operated similar to a private business
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenditures and Changes in Fund Balances • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, as well as short-term and long-term	Only assets expected to be consumed and liabilities that are due during the year or soon thereafter; capital assets are not included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is paid or received	<ul style="list-style-type: none"> • Revenues for which cash is received during or soon after the year end • Expenditures recognized when goods or services have been received and payments are due during the year or soon thereafter 	All revenues and expenses during the year, regardless of when cash is received or paid

Government-Wide Financial Analysis

Table 2 below presents the City's condensed statement of net position (in thousands) as of June 30, 2023 and 2022, derived from the government-wide Statement of Net Position on page 24.

City of Warner Robins
Table 2: Condensed Statements of Net Position
As of June 30
(in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets and Deferred Outflows						
Current assets	\$ 73,715	\$ 69,983	\$ 49,499	\$ 65,451	\$ 123,214	\$ 135,434
Other assets		-	2,176	1,788	2,176	1,788
Capital assets	175,972	165,898	116,722	113,170	292,694	279,068
Total assets	249,687	235,881	168,397	180,409	418,084	416,290
Deferred outflows	25,507	15,454	3,640	2,640	29,147	18,094
Total assets and deferred outflows	275,194	251,335	172,037	183,049	447,231	434,384
Liabilities and Deferred Inflows						
Current liabilities	25,485	24,917	5,831	7,558	31,316	32,475
Long-term liabilities	91,381	68,945	50,602	67,910	141,983	136,855
Total liabilities	116,866	93,862	56,433	75,468	173,299	169,330
Deferred inflows	4,952	18,545	2,550	4,285	7,502	22,830
Total liabilities and deferred inflows	121,818	112,407	58,983	79,753	180,801	192,160
Net Position						
Net investment in						
Capital assets	148,934	135,039	73,377	50,122	222,311	185,161
Restricted	32,549	29,059	3,212	3,131	35,761	32,190
Unrestricted	(28,107)	(25,170)	36,465	50,043	8,358	24,873
Total net position	\$ 153,376	\$ 138,928	\$ 113,054	\$ 103,296	\$ 266,430	\$ 242,224

By far the largest portion (\$222.3 million) of the City of Warner Robins' total net position reflect its net investment in capital assets (e.g., land, buildings and improvements, infrastructure, machinery and equipment, etc.), less accumulated depreciation and related debt. The City employs these various capital assets to provide daily services to its citizens; consequently, these assets are not available for future spending. Unrestricted net position reflects a surplus of nearly \$8.4 million as of June 30, 2023. Restricted net position of \$35.8 million represents resources that are subject to external restrictions, constitutional provisions, and/or enabling legislation, which govern how the funds can be used.

From strictly an activities perspective regarding unrestricted net position, governmental activities reflect a negative unrestricted net position of \$28.1 million as of June 30, 2023. Business-type activities, however, reflect a positive unrestricted net position of \$36.5 million for the identical reporting period.

Table 3 presents the City’s condensed statement of activities (in thousands) for the fiscal years ended June 30, 2023 and 2022, as derived from the government-wide Statement of Activities on page 25. Over time, increases or decreases in net position measure whether the City’s financial position is improving or experiencing a decline, providing the opportunity to proactively address and implement corrective fiscal actions needed, if any. During the fiscal year, the net position of the governmental activities increased by \$14.4 million, and the net position of the business-type activities increased by \$9.7 million.

City of Warner Robins
Table 3: Condensed Statements of Activities
For the Fiscal Year Ended June 30
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 6,274	\$ 5,833	\$ 64,416	\$ 59,935	\$ 70,690	\$ 65,768
Operating grants and contributions	2,778	3,488			2,778	3,488
Capital grants and contributions	19,718	11,020	4,071	3,619	23,789	14,639
General revenues						
Property and other taxes	43,107	34,697			43,107	34,697
Sale of assets	161	131	-	2	161	133
Other	2,335	5,059	1,628	138	3,963	5,197
Total revenues	<u>74,373</u>	<u>60,228</u>	<u>70,115</u>	<u>63,694</u>	<u>144,488</u>	<u>123,922</u>
Expense						
General government	12,288	9,494	-	-	12,288	9,494
Judicial	878	759	-	-	878	759
Public safety	31,538	26,127	-	-	31,538	26,127
Recreation	5,042	3,865	-	-	5,042	3,865
Public works (Streets)	9,398	11,028	-	-	9,398	11,028
City development	3,345	5,840	-	-	3,345	5,840
Downtown Development	679	8,341	-	-	679	8,341
Other	973	1,139	-	-	973	1,139
Natural gas system	-	-	23,876	27,278	23,876	27,278
Water and sewer system	-	-	18,734	17,981	18,734	17,981
Storm water drainage	-	-	3,243	2,969	3,243	2,969
Sanitation	-	-	10,288	9,912	10,288	9,912
Total expenses	<u>64,141</u>	<u>66,593</u>	<u>56,141</u>	<u>58,140</u>	<u>120,282</u>	<u>124,733</u>
Increase (decrease) in net position before transfers	10,232	(6,365)	13,974	5,554	24,206	(811)
Transfers	4,216	2,663	(4,216)	(2,663)	-	-
Increase (decrease) in net position	14,448	(3,702)	9,758	2,891	24,206	(811)
Net position - beginning	138,928	142,630	103,296	100,405	242,224	243,035
Net position - ending	<u>\$ 153,376</u>	<u>\$ 138,928</u>	<u>\$ 113,054</u>	<u>\$ 103,296</u>	<u>\$ 266,430</u>	<u>\$ 242,224</u>

Program Expenses and Revenues for Governmental Activities

Table 4 presents the net costs of governmental activities. As reflected, overall total program revenues were not sufficient to cover program expenses for governmental activities. General revenues, predominately taxes, supported the net costs of governmental activities. Program revenues as a percentage of program expenses increased 11.8% for governmental activities from fiscal year 2022 to fiscal year 2023.

City of Warner Robins, Georgia
Table 4: Net Costs of Governmental Functions
for the Fiscal Year Ended June 30
(in thousands)

Function/Program	Program Expenses 2023	Less Program Revenues 2023	Net Program Costs (Revenue)		Program Revenues as a Percentage of Program Expenses	
			2023	2022	2023	2022
General government	\$ 12,288	\$ 7,259	\$ 5,029	\$ 1,747	59.07%	134.62%
Judicial	878	939	(61)	(466)	106.95%	161.40%
Public safety	31,538	4,632	26,906	21,510	14.69%	7.84%
Recreation	5,042	1,606	3,436	1,706	31.85%	15.01%
Public works	9,398	5,199	4,199	9,058	55.32%	14.58%
City development	3,345	1,670	1,675	3,218	49.93%	20.26%
Downtown development	679	7,464	(6,785)	8,341	1099.26%	-300.00%
Other	973	-	973	9,480	0.00%	0.00%
Total	<u>\$ 64,141</u>	<u>\$ 28,769</u>	<u>\$ 35,372</u>	<u>\$ 54,594</u>	<u>44.85%</u>	<u>33.09%</u>

Program Expenses and Revenues for Business-type Activities

Table 5 presents the net income and costs of business-type activities. Program revenues generated were more than sufficient to cover program expenses. Overall, program expenses as a percentage of program revenues decreased 10.7% for business-type activities from fiscal year 2022 to fiscal year 2023.

City of Warner Robins, Georgia
Table 5: Net Revenues of Business-Type Activities
for the Fiscal Year Ended June 30
(in thousands)

Function/Program	Program Revenues 2023	Less Program Expenses 2023	Net Program Revenue (Costs)		Program Expenses as a Percentage of Program Revenues	
			2023	2022	2023	2022
Natural gas system	\$ 25,269	\$ 23,876	\$ 1,393	\$ (1,048)	94.49%	104.00%
Water and sewer system	28,085	18,734	9,351	6,740	66.70%	72.74%
Storm water drainage	4,709	3,243	1,466	1,094	68.87%	73.07%
Sanitation	10,425	10,288	137	(1,373)	98.69%	110.51%
Total	\$ 68,488	\$ 56,141	\$ 12,347	\$ 5,413	81.97%	92.68%

OVERALL FINANCIAL ANALYSIS

Financial highlights for the City as a whole for the fiscal year ended June 30, 2023, include the following:

According to the Statement of Net Position at June 30, 2023, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$153.4 million for the governmental activities and by \$113.1 million for the business-type activities.

The City's total net position increased during the year by \$24.2 million or 10% in comparison to the previous fiscal year end. Net position of governmental activities increased by \$14.4 million, and the net position of business-type activities increased by \$9.8 million. The increase in net position from 2022 is primarily attributed to the increased collections of property taxes, excise taxes and business taxes.

Operating revenues in the City's business-type or enterprise funds increased by \$4.5 million or 7.5% from FY 2022 to FY 2023, with a decrease in operating expenses of \$2 million or -2.8% for the identical reporting period. This overall increase was primarily attributed to the activity in the Water and Sewer System enterprise fund. An increase in water and sewer rates to customers coupled with a decrease in gas cost both contributed to the overall year-over-year increases in the enterprise funds.

Year-over-year changes realized in the enterprise funds' operating revenues are as reflected below:

Enterprise Funds Operating Revenues	FY 2023	FY 2022	Dollar Change	Percent Change
Natural Gas System	\$25,268,738	\$26,230,804	(\$962,066)	-3.67%
Water and Sewer System	25,442,378	22,075,872	3,366,506	15.25%
Storm Water Drainage	3,280,676	3,089,790	190,886	6.18%
Sanitation	10,424,699	8,538,647	1,886,052	22.09%
Total	\$64,416,491	\$59,935,113	\$4,481,378	7.48%

Year-over-year changes realized in the enterprise funds' operating expenses are as reflected below:

Enterprise Funds Operating Expenses	FY 2023	FY 2022	Dollar Change	Percent Change
Natural Gas System	\$23,810,863	\$27,278,793	(\$3,467,930)	-12.71%
Water and Sewer System	17,681,976	16,407,808	1,274,168	7.77%
Storm Water Drainage	3,243,056	2,968,799	274,257	9.24%
Sanitation	10,288,120	9,911,920	376,200	3.80%
Total	\$55,024,015	\$56,567,320	(\$1,543,305)	-2.73%

Year-over-year changes realized in the enterprise funds' overall results of operations are as reflected below. The Water and Sewer System Fund was responsible for the lion's share of the operating income by closing the fiscal year at \$7.8 million or 83% of total enterprise funds' operating income. As shown, at June 30, 2023, operating revenues for the City's business-type activities or enterprise funds exceeded operating expenses by \$9.4 million.

Enterprise Funds Operating Income (Loss)	FY 2023	FY 2022	Dollar Change	Percent Change
Natural Gas System	1,457,875	(1,047,989)	2,505,864	-239.11%
Water and Sewer System	7,760,402	5,668,064	2,092,338	36.91%
Storm Water Drainage	37,620	120,991	-83,371	-68.91%
Sanitation	136,579	(1,373,273)	1,509,852	-109.95%
Total	\$9,392,476	\$3,367,793	\$6,024,683	178.89%

The City's Funds

Funds (governmental, enterprise and internal service) that experienced significant changes during the fiscal year ended June 30, 2023, are referenced below.

Governmental Funds

As of the close of the fiscal year, the City's Governmental Funds reported a combined ending fund balance of \$55.4 million, which represented an increase of \$5.6 million or 11.3% from FY 2022.

Total revenues were \$63.8 million and total expenditures were \$62.5 million for all governmental funds, representing a year-over-year increase of \$5.5 million in total revenues and an increase of \$484 thousand in total expenditures. The increase in revenues is primarily attributable to increased general property taxes and other taxes offset by a decrease in intergovernmental revenues. The increase in total expenditures consists of American Rescue Plan Act (ARP) Fund expenses coupled with increased spending in the 2018 SPLOST Capital Projects Fund.

General Fund

The General Fund's total fund balance as of June 30, 2023 was \$22.8 million. The General Fund's fund balances are segregated by the extent to which the governing body is bound to honor constraints on the specific purpose for which the amounts can be expended. Of the total General Fund's fund balance, \$626 thousand is nonspendable, \$1.1 million is committed, and \$21.1 million is unassigned. The year-over-year increase in the General Fund's unassigned fund balance of \$2.8 million or 15.5% is largely due to a larger percentage of the General Fund's assets being composed of prepaid items. Prepaid items are nonspendable, resulting in a reduction in the total unassigned fund balance. At year-end, nonspendable prepaid items totaled \$560 thousand of the General Fund's total nonspendable fund balance. The total fund balance for the General Fund increased by \$2.1 million or 10.2% from the previous fiscal year end. Revenues increased \$3.9 million or 8.9% primarily due to an increase general property taxes.

American Rescue Plan Fund

The American Rescue Plan Fund was created and classified as a major governmental fund to account for funds received from the American Rescue Plan Act of 2021 (ARP). The ending fund balance at June 30, 2023 was \$255 thousand made up of interest income.

2018 Special Purpose Local Option Sales Tax (SPLOST) Capital Projects Fund

The 2018 SPLOST Capital Projects Fund that houses the one-cent sales tax proceeds that are primarily dedicated to funding the cost of capital outlay projects throughout the City was classified as a major fund. The ending fund balance at June 30, 2023 was \$18.8 million, representing a year-over-year increase of \$2.8 million or 17.6%. Total revenues and total expenditures were \$10.2 million and \$7.4 million, respectively, for the 2018 SPLOST Capital Projects Fund. Year-over-year revenues increased by \$1.1 million, and expenditures increased by \$2.2 million. Decreases in capital outlay cost associated with the referendum-approved projects continue to draw down the fund balance, which is anticipated as the City concludes year four of the six-year 2018 SPLOST receipts that commenced October 2018. Sales tax collections associated with the 2018 SPLOST continue through September 2024.

Warner Robins Public Facilities Authority (WRPFA) Capital Projects Fund

In addition to the 2018 SPLOST Capital Projects Fund, in 2018 the City established a capital projects fund dedicated to account for those capital projects that were financed with the Warner Robins Public Facilities Authority Revenue Bonds, Series 2018. These revenue bonds that are pledged by the full faith and credit of the City were issued by the Warner Robins Public Facilities Authority. The WRPFA Capital Projects Fund had an ending fund balance of \$2.96 million at June 30, 2023 year-end. This represented an increase of \$621 thousand or 26.6% over FY 2022. Total revenues and total expenditures were \$479 thousand and \$1.2 million, respectively, for the WRPFA Capital Projects Fund. Year-over-year revenues increased by \$467 thousand while year-over-year

expenditures decreased by \$3 million or -71.8%. The significant decrease in expenditures was attributed to the decreased in capital outlay expenditures.

Enterprise Funds

The City's Enterprise Funds reported a total net position of \$113 million at June 30, 2023, an increase of \$9.8 million or 9% from June 30, 2022. Total operating revenues were \$64.4 million, representing a year-over-year increase of \$4.5 million or 7.4%. Total operating expenses were \$55 million, representing a year-over-year decrease of \$1.5 million or -2.8%.

Natural Gas System Fund

The Net Position of the Natural Gas System Fund at June 30, 2023 was \$16.3 million, representing a decrease of \$380 thousand or -2.3% from fiscal year 2022. Both total operating revenues and total operating expenses experienced a decrease for the reporting period. From a year-over-year perspective, total operating revenues decreased \$962 thousand or -3.6% while total operating expenses decreased \$3.5 million or -12.7%. The decrease in both revenues and expenses were attributed to the decreases in volumes of natural gas sold.

Water and Sewer System Fund

The Net Position of the Water and Sewer System Fund increased during fiscal year 2023. At June 30, 2023 the net position was \$74.8 million, representing an increase of \$8.5 million or 12.8% in comparison to fiscal year 2022. From a year-over-year perspective, total operating revenues realized an increase of \$3.4 million or 15.2% while total operating expenses also realized an increase of \$1.3 million or 7.8%. Increased charges for services reflected in the operating revenues line item grew \$2.6 million, accounting for much of the increase in total operating revenues.

Storm Water Drainage Fund

The Net Position of the Storm Water Drainage Fund increased for fiscal year 2023. At June 30, 2023 the net position was \$22.3 million, representing an increase of \$1.5 million or 7% in comparison to fiscal year 2022. From a year-over-year perspective, total operating revenues realized an increase of \$190 thousand or 6.2% while total operating expenses realized an increase of \$274 thousand or 9.2%. Increased capital contributions from developers in the non-operating revenues line item grew nearly \$455 thousand, accounting for a portion of the increase in net position.

Sanitation Fund

The Net Position of the Sanitation Fund at June 30, 2023 was a deficit of \$419 thousand, representing an increase of \$136 thousand or 24.5% in comparison to fiscal year 2022. From a year-over-year perspective, total operating revenues were up \$1.9 million or 22.1% while total operating expenses realized an increase of \$376 thousand or 3.8%. For the Sanitation Fund, operating revenues have exceeded operating expenses.

Internal Service Funds

The City's Group Health Internal Service Fund, which is the primary internal service fund representing 92.9% and 93% of total operating revenues and total operating expenses, respectively, reported a negative net position of \$735 thousand at June 30, 2023. This represented a increase of \$308 thousand or 29.5% from the prior fiscal year end. Contributions to the fund were not sufficient

to cover the deficit realized at the beginning of the two prior fiscal years in addition to the current year's operating expenses. The Worker's Compensation Internal Service Fund reported a net position of nearly \$1.4 million at June 30, 2023, which was \$51 thousand or 3.8% over the previous fiscal year end. Overall, the combined net position for the City's Internal Service Funds at June 30, 2023 was \$649 thousand, representing an increase of \$359 thousand over FY 2022.

BUDGETARY HIGHLIGHTS

Over the course of the fiscal year, the Mayor and Council of the City of Warner Robins amended the budget to align with funding needs that occurred throughout the fiscal year. These budget amendments were supplemental appropriations to primarily address operational and capital projects funding shortfalls, which included funding for both routine and non-routine expenditures that occurred in the overall operation of the City. Budget amendments were also prepared to prevent any budget overruns. The variances between the original and final budget, or between the final and actual budget, are not expected to have a significant effect on the City's overall financial liquidity and most of all the level of services provided to the citizens of Warner Robins.

For the General Fund, the final amended budget of \$55.6 million (excluding other financing sources and uses) was \$5.1 million or 8.5% under the original appropriated budget through fiscal year end. This difference was primarily attributed to allocations from the unrestricted fund balance for the prior year's encumbrances of \$1.6 million, which increased the final total budgeted expenditures amount for FY 2023. In addition, the occurrence of legally adopted budget amendments from fund balance was not necessary and worked to decrease the final revised budget amount. Additional information regarding the General Fund budget variances may be found on Note 2 – Stewardship, Compliance and Accountability on pages 48-49 and on the Budgetary Comparison Schedule in the Required Supplementary Information (RSI) section on page 77.

CAPITAL PROJECTS FUNDS

Various roadway and walkway projects, building projects, recreation facility improvement projects as well as distribution system capital projects are funded from the 2006, 2012 and 2018 one-cent Special Purpose Local Option Sales Tax (SPLOST) funds. Amounts expended from the 2006 SPLOST Fund for capital projects for fiscal year 2023 totaled \$0. As for the 2012 SPLOST, general capital obligations totaled \$550 thousand and included the following: road, street and sidewalk \$1 thousand, public safety \$55 thousand, water and sewer system \$155 thousand, general government \$1 thousand, city development \$310 thousand, and recreation facilities \$26 thousand. Given that the 2018 SPLOST is currently the active SPLOST for the City of Warner Robins, much of the SPLOST capital projects through fiscal year end were financed from this fund. At June 30, 2023 the 2018 SPLOST Fund expended \$3.4 million for capital projects, as referenced below:

- \$16,918: Recreation facilities, state of the arts sports complex
- \$590,451: Roads, streets, and sidewalks
- \$1,122,706: Public safety facilities

- \$1,054,574: Water and sewer distribution improvements
- \$658,021: General capital obligation

In addition to the above referenced SPLOST capital projects, the Warner Robins Public Facilities Authority Capital Projects Fund financed numerous capital projects around the city through fiscal year end. A total just under \$2 thousand was expended, which included the following:

- \$1,728: Recreation facilities

CAPITAL ASSETS

The City of Warner Robins' investment in capital assets for its governmental and business-type activities as of June 30, 2023 totaled \$292.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, parks and recreation facilities, and a network of distribution systems (natural gas, water and sewer, storm water drainage, and sanitation). The year-over-year changes in capital assets for the City are reflected in the chart below.

Capital Assets	FY 2023	FY 2022 ¹	Dollar Difference	Percent Difference
Land	\$23,564,405	\$22,205,666	\$1,358,739	6.12%
Construction in progress	23,297,165	20,035,985	3,261,180	16.28%
Buildings and improvements	48,315,686	38,041,114	10,274,572	27.01%
Machinery and equipment	42,460,694	39,768,313	2,692,381	6.77%
Infrastructure	193,385,705	189,123,195	4,262,510	2.25%
Distribution Systems	187,596,016	182,704,679	4,891,337	2.68%
Total	\$518,619,671	\$491,878,952	\$26,740,719	5.44%

Note¹: Excludes accumulated depreciation

Overall, for the fiscal year end, capital assets increased \$26.7 million or approximately 5.4% in comparison to fiscal year 2022.

Capital assets additions strictly for the City's Governmental funds for fiscal year 2023 are as follows:

Capital Asset Category	Amount
Land	\$1,353,238
Construction in progress	555,558
Total Non-depreciable Asset Additions	1,908,796
Buildings and improvements	10,274,572
Machinery and equipment	2,368,803
Infrastructure	4,262,510
Distribution Systems	-
Total Depreciable Asset Additions	16,905,885
Total	\$18,814,681

More detailed information on capital assets may be found in Note 3 to the Basic Financial Statements.

DEBT ADMINISTRATION

As of June 30, 2023, the City reported a total long-term obligations balance, exclusive of Net Pension, OPEB Liability and accrued interest, of \$74.1 million. This represented a decrease of \$23.8 million or 24.3% in comparison to the previous fiscal year end. The current portion of the long-term obligations totals \$8.1 million and is comprised of the following: Claims Payable (\$251 thousand), Compensated Absences (\$1.3 million), Finance Purchases (\$136 thousand), Contracts Payable (\$126 thousand), and Bonds and Notes Payable (\$6.3 million). The noncurrent portion is comprised of Compensated Absences (\$512 thousand), Finance Purchases (\$2.4 million), Contracts Payable (\$1.6 million) and Bonds and Notes Payable (\$61.5 million).

Article 9, Section 5, Paragraph I (a) of the Constitution of the state of Georgia states that no county, municipality, or other political subdivision may incur long-term obligations (other than refunding obligations) payable out of general property taxes without the approval of a majority of the qualified voters of such county, municipality, or other political subdivision voting at an election called to approve the obligations. In addition, the article also indicates that no county, municipality, or other political subdivision may incur long-term obligations payable out of the general property taxes in excess of 10% of the assessed value of all taxable property within the district. Temporary loans or short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation, and intergovernmental obligations are not subject to the legal limitations described above.

As of June 30, 2023, as reflected on the chart below, the City's net assessed value was 2.2 billion. The legal debt limit for the City's long-term debt is \$221 million, which represents 10 percent of the net assessed value of property taxable for ad valorem tax purposes. For the City, this means that 100

percent of the legal debt limit is available for the issuance of additional GO bonds should the need arise. This is a highly favorable position given that some local governments in the state of Georgia are operating at double-digit limits regarding their debt capacity. This favorable position has all been made possible by the City's continued effort to adhere to sound fiscal policies regarding the issuance of long-term debt.

As of June 30, 2023, the City had not issued any direct general obligation bonds. As shown, the City also has not issued any general obligation bonded debt for all prior fiscal years referenced below.

	June 30,				
	2019	2020	2021	2022	2023
Assessed Value	\$ 1,713,488,603	\$ 1,765,196,738	\$ 1,805,018,664	\$ 1,911,943,368	\$ 2,211,555,536
Legal Debt Margin					
Debt limit (10% of assessed value)	\$ 171,348,860	\$ 176,519,674	\$ 180,501,866	\$ 191,194,337	\$ 221,155,554
Debt applicable to limit:					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Amount reserved for repayment of general obligation debt	\$ -	\$ -	\$ -	\$ -	\$ -
Total debt applicable to limit	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	\$ 171,348,860	\$ 176,519,674	\$ 180,501,866	\$ 191,194,337	\$ 221,155,554
Total net debt applicable to the limit as a % of the debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Refer to Note III-G of this report for additional information on the City's long-term obligations.

ECONOMIC OUTLOOK

The City of Warner Robins, GA was again positioned to realize an overall strengthened year-end financial position. As we enter the post-pandemic economy the City, as in prior years, has continued to operate from a fiscally responsible position. The local area has seen solid population growth and we continue to be able to supply the local job market with resourceful workforce skills which enhances the local economy growth. Unemployment rates in the Warner Robins area was 3.4% at June 30, 2023. A slight downward trend in the unemployment rate has continued into fiscal year 2024.

The City's Calendar Year (CY) 2022, Fiscal Year 2023 net taxable digest experienced an increase of 15.4% over the net taxable digest for CY 2021, FY 2022. As reflected in the tables below, the City has realized a year-over-year increase in the net tax digest for ad valorem tax purposes for each of the years reported.

**Ad Valorem Tax Digest
Houston County**

Fiscal Year	Tax Year	Real	Personal	Public Utilities	Motor Vehicles	Heavy Duty Equipment	Gross	Exemptions	Net
2019	2018	1,490,403,565	153,427,513	38,828,676	37,600,970	-0-	1,720,260,724	(36,142,866)	1,684,117,858
2020	2019	1,598,843,182	161,435,641	39,184,961	30,433,080	19356	1,829,916,200	(93,392,170)	1,736,524,050
2021	2020	1,632,784,552	166,040,884	40,991,288	25,099,660	31,917	1,867,661,546	(98,006,991)	1,769,654,555
2022	2021	1,746,681,639	168,526,072	41,179,726	20,258,660	4,550	1,976,650,647	(110,538,817)	1,866,111,830
2023	2022	2,023,384,957	178,951,205	42,068,978	18,082,300	31,470	2,262,518,910	(109,928,505)	2,152,590,405

**Ad Valorem Tax Digest
Peach County**

Fiscal Year	Tax Year	Real	Personal	Public Utilities	Motor Vehicles	Heavy Duty Equipment	Gross	Exemptions	Net
2019	2018	25,054,636	1,382,774	3,350,594	235,170	-0-	30,023,174	(652,429)	29,370,745
2020	2019	26,059,930	1,476,858	1,548,023	199,720	-0-	29,284,531	(611,843)	28,672,688
2021	2020	32,400,453	1,759,294	1,672,478	113,120	-0-	35,945,345	(581,236)	35,364,109
2022	2021	40,978,279	3,927,992	1,649,320	150,990	-0-	46,706,581	(875,043)	45,831,538
2023	2022	53,401,112	4,412,445	1,619,688	124,600	-0-	59,557,845	(592,714)	58,965,131

To maintain the current level of service, the governing body enacted the mill levy for CY 2022, FY 2023 of 9.98 mills for property located in Houston County and 8.89 mills for property located in Peach County. The millage rate for property in Peach County includes a LOST rollback of 1.090 mills. The millage rates for the City and overlapping governments for fiscal years 2019 – 2023 are reflected in the following two (2) tables below:

Property Tax Rates¹

Last Five Fiscal Years

(For Portion of City in Houston County and Houston County School District)

Fiscal Year	Tax Year	State	City	Houston County	School District	Combined
2019	2018	0	9.98	9.935	13.297	33.212
2020	2019	0	9.98	9.935	13.297	33.212
2021	2020	0	9.98	9.935	13.297	33.212
2022	2021	0	9.98	9.935	13.183	33.098
2023	2022	0	9.98	9.810	13.183	32.973

¹ The millage rate is the rate applied per \$1,000 of assessed property value.

Property Tax Rates¹
Last Five Fiscal Years

(For Portion of City in Peach County and Peach County School District)

Fiscal Year	Tax Year	State	City	Peach County	School District	Combined
2019	2018	0	8.845	14.546	16.989	40.38
2020	2019	0	8.55	14.473	16.902	39.925
2021	2020	0	8.66	14.403	16.905	39.968
2022	2021	0	8.926	14.403	16.819	40.148
2023	2022	0	8.89	12.441	14.479	35.81

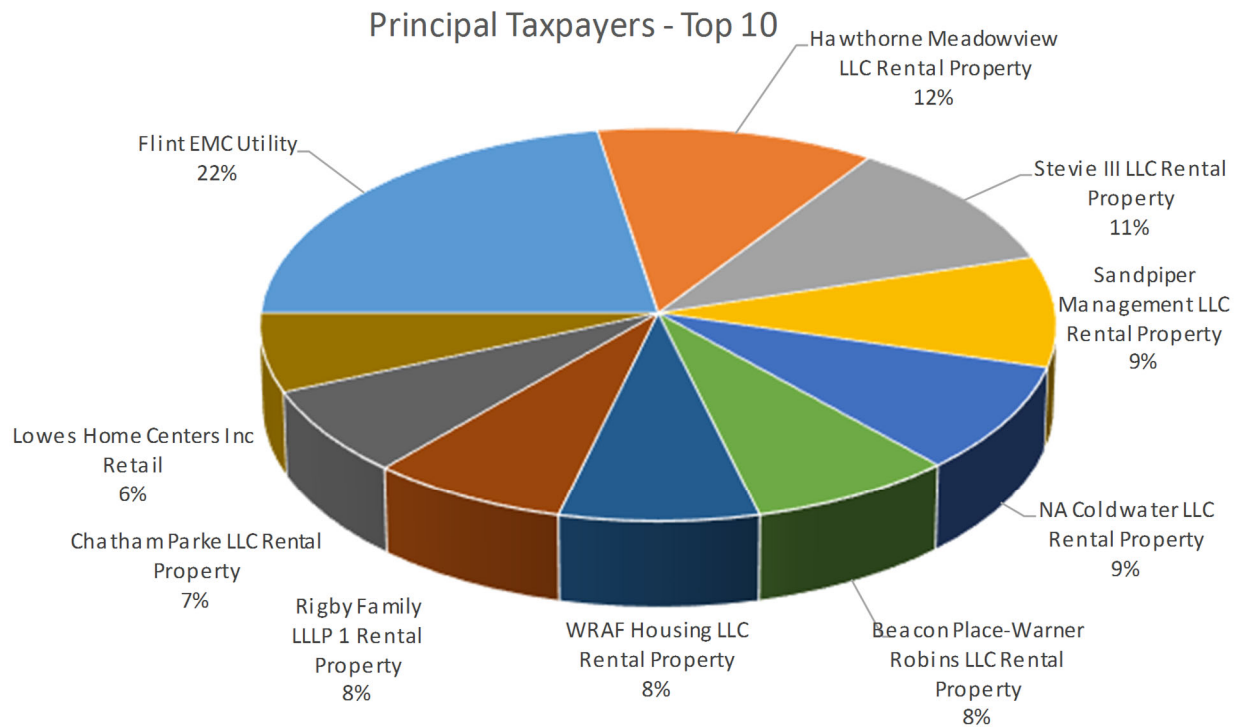
¹ The millage rate is the rate applied per \$1,000 of assessed property value.

For the most part, the City has realized an increase in total property tax collections, particularly for the last three years. These gains are anticipated to continue as the City realizes year-over-year population growths. This includes increases in new permits for commercial and residential construction. The property tax digest levies, revenue collections and ending receivables for the last five fiscal years are reflected below:

Property Tax Digest Levies, Revenue Collections, and Ending Receivables
Actual FY2019-FY2023

Fiscal Year	Warner Robins, Houston County Net M&O Tax Digest Levy	Warner Robins, Peach County Net M&O Tax Digest Levy	Total Net M&O Tax Digest Levy	Levy Year Tax Collections	Prior Year Tax Collections	Total Tax Collections	Percent Levy Year Tax Collections to Tax Digest Levy	Percent Total Tax Collections to Tax Digest Levy	Fiscal Year Ending Receivable
2019	16,807,496	259,784	17,067,280	15,999,734	303,553	16,303,287	93.75%	95.52%	275,361
2020	17,245,642	245,151	17,490,793	16,788,580	205,623	16,994,203	95.99%	97.16%	570,450
2021	17,661,152	306,253	17,679,463	17,357,358	302,504	17,659,862	98.18%	99.89%	597,345
2022	18,623,796	409,092	19,032,888	18,497,383	354,060	18,851,443	97.19%	99.05%	234,117
2023	21,482,852	524,200	22,007,052	21,048,339	242,726	21,291,065	95.64%	96.75%	326,045

The City's Principal Taxpayers, Top 10, for fiscal year 2023 are reflected below. As in prior fiscal years, rental property continues to dominate the tax digest in relation to overall assessed valuations. This is attributed to the continued growth recognized throughout the City.



Principal Taxpayers - Top 10				
Name	Type of Business	Assessed Value	Rank	% of Gross Assessed Value
Flint EMC	Utility	\$34,841,681	1	1.65%
Hawthorne Meadowview LLC	Rental Property	\$18,646,920	2	0.98%
Stevie III LLC	Rental Property	\$17,032,280	3	0.89%
Sandpiper Management LLC	Rental Property	\$14,141,560	4	0.74%
NA Coldwater LLC	Rental Property	\$13,800,400	5	0.64%
Beacon Place-Warner Robins LLC	Rental Property	\$12,200,240	6	0.62%
WRAF Housing LLC	Rental Property	\$11,907,760	7	0.62%
Rigby Family LLLP 1	Rental Property	\$11,811,960	8	0.58%
Chatham Parke LLC	Rental Property	\$11,116,200	9	0.56%
Lowes Home Centers Inc	Retail	\$10,061,000	10	0.51%
Total		\$155,560,001		7.69%

In accordance to U.S. statistics, the population of the City has increased approximately 21% since the 2010 census. Per the U. S. Census Bureau, the 2020 census for the City reflects a population of 80,350. The estimated population at July 1, 2023 is 82,175.

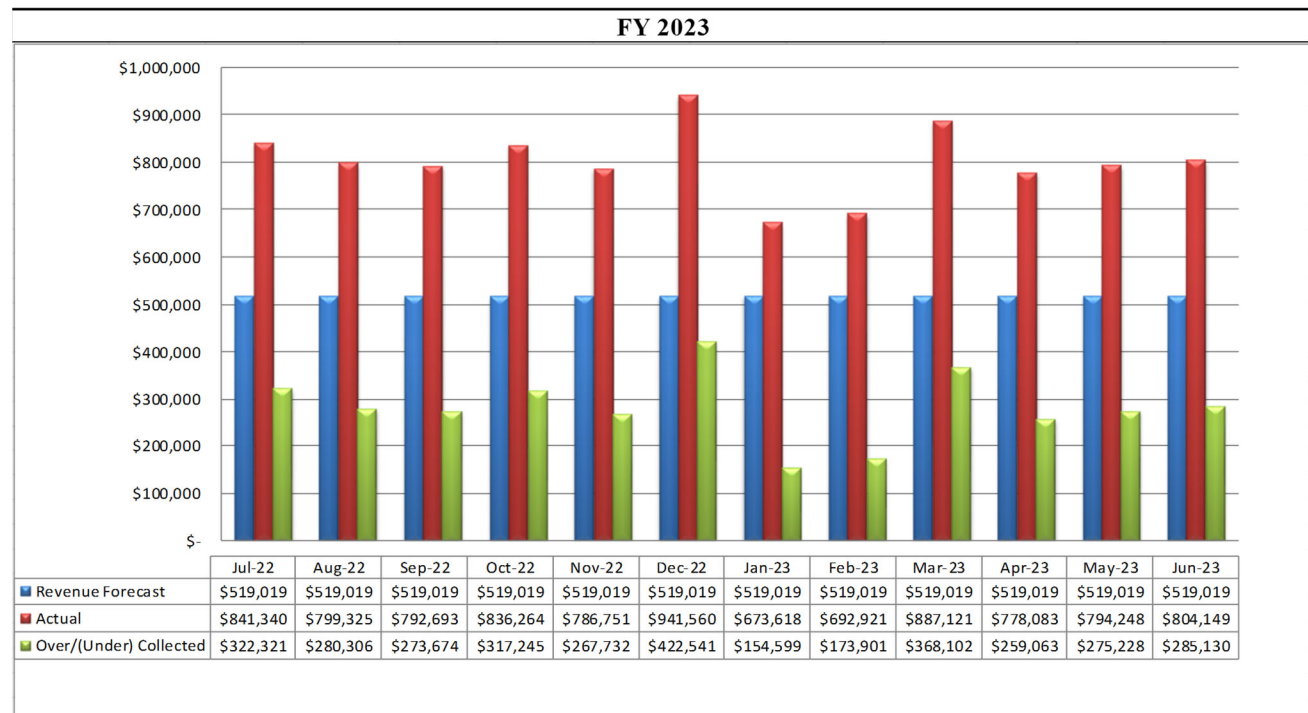
The 2018 SPLOST Referendum, which was passed by voters on March 21, 2017 allowed for the special district of Houston County, GA over a period of six years to raise up to \$145 million for the

purpose of funding the cost of transportation, public safety, recreation, general capital obligations, public buildings, water and sewer improvements, economic development, and debt service capital outlay projects. This one-percent sales tax collection associated with the 2018 SPLOST commenced October 1, 2018.

For the City of Warner Robins, GA the Monthly Revenues are projected at \$519,019, which represents 25.772% of the 2018 SPLOST Total Projected Monthly Revenues of \$2,013,889. Since the 2018 SPLOST inception, *for all reporting fiscal years*, the City has received a total of \$39.4 million through June 2023 in actual revenue collections, which represent an increase of \$9.8 million or 33% over projected revenues for all reported periods.



City of Warner Robins, GA
Special Purpose Local Option Sales Tax (SPLOST) 2018 Revenues
Actual vs. Forecast Comparison



In the building of the annual General Fund budget for fiscal year 2024, City officials considered these overall factors discussed above. On June 30, 2023 the City approved a budget appropriation for the General fund for Fiscal Year 2023 in the amount of \$60.7 million, an increase of 10 percent from the 2023 original budget of \$55.1 million. Conservative revenue projections were used in developing the FY 2024 related to the continued COVID-19 health crisis. Tax revenues are projected to provide 65.3% of this appropriation. Selective sales and use tax revenues are budgeted to fund 20.9% and other financing revenues are projected to cover 13.8% of the remaining

appropriations. The City will use these revenues to finance programs currently offered and to finance increased program costs due to the City's growth.

The City's business-type activities are experiencing some moderate inflationary pressures on its operational expenses. Gross revenues of the Sanitation Fund, Natural Gas Fund and Storm Water Drainage fund are expected to remain comparable to results of FY 2023.

ACKNOWLEDGMENT

Special appreciation is given to the entire staff of the finance department for their hard work and dedication, which made this document possible. A special thank you is also extended to the many persons across the City that assisted with this endeavor.

Thanks is also extended to the certified public accounting firm of Nichols, Cauley & Associates, LLC for their consummate efforts throughout this process.

Finally, we would also like to thank the Honorable Mayor LaRhonda Patrick and the City Council for their leadership, commitment and contributions to this endeavor.

To the citizens of the City of Warner Robins, we thank you for the opportunity and are honored to serve you.

CONTACTING THE CITY'S FINANCE DEPARTMENT

This financial report is designed to provide our citizens, taxpayers, investors, creditors as well as others with an interest in the finances of the City of Warner Robins a general overview of the fiscal operations for the respective reporting period. Details regarding the City's accountability for the various financial resources that it receives in carrying out the day-to-day operations of the City of Warner Robins are provided. Please direct questions about this report to:

Finance Director
City of Warner Robins
700 Watson Blvd.
P.O. Box 8629
Warner Robins, GA 31095
Email: Finance_Office@wrga.gov

CITY OF WARNER ROBINS, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Engage Warner Robins
<u>ASSETS</u>					
Current assets					
Cash and cash equivalents	\$ 64,417,437	\$39,917,443	\$ 104,334,880	\$ -	\$ 530,831
Accounts receivable, net	1,092,801	5,577,834	6,670,635	-	29,065
Due from other governments	3,228,804	-	3,228,804	-	-
Lease receivable	73,095	370,467	443,562	-	28,280
Due from component unit	37,649	-	37,649	-	-
Inventories, at cost	64,776	407,934	472,710	-	-
Real estate-held for investment/resale	51,750	-	51,750	-	1,156,476
Prepaid items	677,505	14,038	691,543	-	-
Restricted assets					
Cash and cash equivalents	4,071,211	3,211,711	7,282,922	-	-
Total current assets	<u>73,715,028</u>	<u>49,499,427</u>	<u>123,214,455</u>	<u>-</u>	<u>1,744,652</u>
Non-current assets					
Investment in Mid-State Energy					
Transmission Line	-	2,176,245	2,176,245	-	-
Land and other non-depreciable assets	35,595,587	11,265,984	46,861,571	-	334,055
Capital assets, net of accumulated depreciation	<u>140,376,906</u>	<u>105,455,107</u>	<u>245,832,013</u>	<u>-</u>	<u>274,496</u>
Total non-current assets	<u>175,972,493</u>	<u>118,897,336</u>	<u>294,869,829</u>	<u>-</u>	<u>608,551</u>
Total assets	<u>249,687,521</u>	<u>168,396,763</u>	<u>418,084,284</u>	<u>-</u>	<u>2,353,203</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Related to pension	20,010,057	2,853,353	22,863,410	-	-
Related to OPEB	<u>5,497,258</u>	<u>786,991</u>	<u>6,284,249</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>25,507,315</u>	<u>3,640,344</u>	<u>29,147,659</u>	<u>-</u>	<u>-</u>

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Engage Warner Robins
<u>LIABILITIES</u>					
Current liabilities					
Accounts payable	3,516,915	2,205,589	5,722,504	-	119
Accrued payroll/related liabilities	725,286	85,918	811,204	-	-
Due to primary government	-	-	-	37,649	-
Claims and judgements	250,588	-	250,588	-	-
Compensated absences	1,101,012	165,956	1,266,968	-	-
Unearned revenue	12,385,300	-	12,385,300	20,067	-
Security deposits	5,618	-	5,618	-	-
Finance purchase obligations	136,652	-	136,652	-	-
Accrued interest payable	546,200	672,906	1,219,106	-	-
Total OPEB liability	2,673,867	386,133	3,060,000	-	-
Contract payable	126,000	-	126,000	-	-
Bonds payable	4,018,045	2,314,179	6,332,224	-	-
Total current liabilities	25,485,483	5,830,681	31,316,164	57,716	119
Non-current liabilities					
Compensated absences	476,913	35,809	512,722	-	-
Finance purchase obligations	744,522	1,625,000	2,369,522	-	-
Net pension liability	30,232,974	4,311,100	34,544,074	-	-
Total OPEB liability	36,182,691	5,225,143	41,407,834	-	-
Contract payable	1,605,000	-	1,605,000	-	-
Bonds payable	22,139,215	39,405,028	61,544,243	-	-
Total non-current liabilities	91,381,315	50,602,080	141,983,395	-	-
Total liabilities	116,866,798	56,432,761	173,299,559	57,716	119
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Related to pension	184,866	26,362	211,228	-	-
Related to OPEB	4,699,355	1,478,910	6,178,265	-	-
Related to leases	68,278	361,949	430,227	-	28,199
Related to debt	-	683,234	683,234	-	-
Total deferred inflows of resources	4,952,499	2,550,455	7,502,954	-	28,199
<u>NET POSITION</u>					
Net investment in capital assets	148,934,059	73,376,884	222,310,943	-	-
Restricted for economic development	935,507	-	935,507	-	-
Restricted for special programs	2,711,176	-	2,711,176	-	-
Restricted for capital projects	24,830,901	3,211,711	28,042,612	-	-
Restricted for debt service	4,071,211	-	4,071,211	-	-
Unrestricted	(28,107,315)	36,465,296	8,357,981	(57,716)	2,324,885
Total net position	\$ 153,375,539	\$ 113,053,891	\$ 266,429,430	\$ (57,716)	\$ 2,324,885

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

CITY OF WARNER ROBINS, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>		Program Revenues		
		Charges for	Operating	Capital
Primary Government	Expenses	Services	Grants and	Grants and
Governmental activities			Contributions	Contributions
General government	\$ 12,287,574	\$ 3,668,060	\$ 1,058,306	\$ 2,510,530
Judicial	878,039	961,246	-	-
Public safety	31,537,999	542,670	1,370,941	2,717,832
Recreation	5,041,745	1,053,112	-	552,709
Public works	9,397,522	25,361	-	5,173,710
City development	3,345,149	23,320	348,446	1,298,680
Downtown development	678,993	-	-	7,464,607
Interest on long-term debt	972,900	-	-	-
Total governmental activities	<u>64,139,921</u>	<u>6,273,769</u>	<u>2,777,693</u>	<u>19,718,068</u>
Business-type activities				
Natural Gas System	23,876,435	25,268,738	-	-
Water and Sewer System	18,733,761	25,409,742	-	2,642,739
Storm Water Drainage	3,243,056	3,280,676	-	1,428,348
Sanitation	10,288,120	10,424,699	-	-
Total business-type activities	<u>56,141,372</u>	<u>64,383,855</u>	<u>-</u>	<u>4,071,087</u>
Total primary government	<u>\$ 120,281,293</u>	<u>\$ 70,657,624</u>	<u>\$ 2,777,693</u>	<u>\$ 23,789,155</u>
Component Units				
Downtown Development Authority	\$ -	\$ -	\$ -	\$ -
Engage Warner Robins	<u>7,523,882</u>	<u>46,462</u>	<u>-</u>	<u>-</u>
	<u>\$ 7,523,882</u>	<u>\$ 46,462</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues				
Property taxes				
Other taxes				
Franchise fees				
Interest income				
Gain on sale of capital assets				
Miscellaneous				
Total general revenues				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Engage Warner Robins
\$ (5,050,678)	\$ -	\$ (5,050,678)		
83,207	-	83,207		
(26,906,556)	-	(26,906,556)		
(3,435,924)	-	(3,435,924)		
(4,198,451)	-	(4,198,451)		
(1,674,703)	-	(1,674,703)		
6,785,614	-	6,785,614		
(972,900)	-	(972,900)		
<u>(35,370,391)</u>	<u>-</u>	<u>(35,370,391)</u>		
-	1,392,303	1,392,303		
-	9,318,720	9,318,720		
-	1,465,968	1,465,968		
-	136,579	136,579		
-	12,313,570	12,313,570		
<u>(35,370,391)</u>	<u>12,313,570</u>	<u>(23,056,821)</u>		
			\$ -	\$ -
			-	(7,477,420)
			<u>-</u>	<u>\$ (7,477,420)</u>
24,712,985	-	24,712,985	-	-
13,405,527	-	13,405,527	-	-
4,986,984	-	4,986,984	-	-
2,137,701	1,171,488	3,309,189	-	18,386
161,104	-	161,104	-	-
197,173	489,379	686,552	-	-
45,601,474	1,660,867	47,262,341	-	18,386
4,216,222	(4,216,222)	-	-	-
49,817,696	(2,555,355)	47,262,341	-	18,386
14,447,305	9,758,215	24,205,520	-	(7,459,034)
138,928,234	103,295,676	242,223,910	(57,716)	9,783,919
<u>\$153,375,539</u>	<u>\$113,053,891</u>	<u>\$266,429,430</u>	<u>\$ (57,716)</u>	<u>\$ 2,324,885</u>

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

CITY OF WARNER ROBINS, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	American Rescue Plan Fund	SPLOST 2018 Capital Projects Fund
<u>ASSETS</u>			
Cash and cash equivalents	\$ 22,792,930	\$ 12,568,438	\$ 14,420,734
Receivables, net	743,036	-	48,267
Lease receivable	73,095	-	-
Due from other governments	1,309,144	-	1,598,397
Due from component unit	37,649	-	-
Inventory of gas, oil, and supplies	64,776	-	-
Real estate-held for investment/resale	-	-	-
Prepaid items	560,936	-	16,328
Restricted assets			
Cash and cash equivalents	-	-	3,147,000
Total assets	<u>\$ 25,581,566</u>	<u>\$ 12,568,438</u>	<u>\$ 19,230,726</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable and accrued costs	\$ 890,668	\$ 114,679	\$ 390,840
Accrued payroll/related expenditures	719,899	-	-
Unearned revenue	104,832	12,198,202	-
Escrow funds	-	-	-
Total liabilities	<u>1,715,399</u>	<u>12,312,881</u>	<u>390,840</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	603,254	-	-
Unavailable revenue-fines	361,741	-	-
Unavailable revenue-lease related	68,278	-	-
Total deferred inflows	<u>1,033,273</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable, inventories	64,776	-	-
Nonspendable, prepaid items	560,936	-	16,328
Restricted, capital projects	-	-	15,676,558
Restricted, debt service	-	-	3,147,000
Restricted, economic development	-	-	-
Restricted, special programs	-	255,557	-
Committed, general government	608,772	-	-
Committed, public safety	287,198	-	-
Committed, public works	114,237	-	-
Committed, recreation	18,636	-	-
Committed, economic development	73,126	-	-
Unassigned, general fund	21,105,213	-	-
Total fund balances	<u>22,832,894</u>	<u>255,557</u>	<u>18,839,886</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 25,581,566</u>	<u>\$ 12,568,438</u>	<u>\$ 19,230,726</u>

WRPFA Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,970,168	\$ 10,273,953	\$ 62,026,223
63,385	178,058	1,032,746
-	-	73,095
-	321,263	3,228,804
-	-	37,649
-	-	64,776
-	51,750	51,750
-	1,130	578,394
924,211	-	4,071,211
<u>\$ 2,957,764</u>	<u>\$ 10,826,154</u>	<u>\$ 71,164,648</u>
\$ -	\$ 221,433	\$ 1,617,620
-	3,820	723,719
-	82,237	12,385,271
-	5,618	5,618
<u>-</u>	<u>313,108</u>	<u>14,732,228</u>
-	-	603,254
-	-	361,741
-	-	68,278
<u>-</u>	<u>-</u>	<u>1,033,273</u>
-	-	64,776
-	1,130	578,394
2,033,553	7,120,790	24,830,901
924,211	-	4,071,211
-	935,507	935,507
-	2,455,619	2,711,176
-	-	608,772
-	-	287,198
-	-	114,237
-	-	18,636
-	-	73,126
-	-	21,105,213
<u>2,957,764</u>	<u>10,513,046</u>	<u>55,399,147</u>
<u>\$ 2,957,764</u>	<u>\$ 10,826,154</u>	<u>\$ 71,164,648</u>

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

CITY OF WARNER ROBINS, GEORGIA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balance, governmental funds		\$ 55,399,147
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Cost	\$ 307,781,370	
Less accumulated depreciation	<u>(131,808,877)</u>	175,972,493
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Property taxes	603,254	
Intergovernmental	<u>361,741</u>	964,995
The net pension liability and the related deferred outflows and inflows of resources are not expected to be liquidated with current available financial resources and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources - pension related items	20,010,057	
Net pension liability	(30,232,974)	
Deferred inflows of resources - pension related items	<u>(184,866)</u>	(10,407,783)
The total OPEB liability and the related deferred outflows and inflows of resources are not expected to be liquidated with current available financial resources and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources - OPEB related items	5,497,258	
Total OPEB liability	(38,856,558)	
Deferred inflows of resources - OPEB related items	<u>(4,699,355)</u>	(38,058,655)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Claims and judgments	(250,588)	
Finance purchase obligations	(881,174)	
Accrued interest	(546,200)	
Bonds payable	(23,780,000)	
Unamortized bond premium	(2,377,260)	
Contract payable	(1,731,000)	
Compensated absences	<u>(1,577,925)</u>	(31,144,147)
Internal service funds are used by management to charge the cost of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		649,489
Net Position of Governmental Activities in the Statement of Net Position		<u><u>\$ 153,375,539</u></u>

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

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

	General	American	SPLOST
	Fund	Rescue Plan	2018
	Fund	Fund	Capital Projects
	Fund	Fund	Fund
REVENUES			
General property taxes	\$30,065,275	\$ -	\$ -
Other taxes	9,967,651	-	-
Licenses and permits	741,283	-	-
Fines and forfeitures	939,228	-	-
Intergovernmental	1,164,983	1,250,539	9,628,073
Other revenue	4,478,133	255,558	545,905
Total revenues	<u>47,356,553</u>	<u>1,506,097</u>	<u>10,173,978</u>
EXPENDITURES			
Current			
General government	11,098,357	-	-
Public safety	26,610,339	404,438	-
Recreation	3,020,375	-	-
Public works	6,543,003	-	-
City development	2,266,075	-	-
Debt service			
Principal	133,378	-	2,860,000
Interest	2,515	-	365,500
Issuance costs	-	-	-
Capital outlay	-	846,102	4,122,954
Total expenditures	<u>49,674,042</u>	<u>1,250,540</u>	<u>7,348,454</u>
EXCESS OF REVENUES			
OVER/(UNDER) EXPENDITURES	<u>(2,317,489)</u>	<u>255,557</u>	<u>2,825,524</u>
OTHER FINANCING SOURCES (USES)			
Sale of assets	161,104	-	-
Transfer in	5,340,957	-	-
Transfer out	(1,062,500)	-	-
Total other financing sources (uses), net	<u>4,439,561</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>2,122,072</u>	<u>255,557</u>	<u>2,825,524</u>
FUND BALANCES, beginning	<u>20,710,822</u>	<u>-</u>	<u>16,014,362</u>
FUND BALANCES, ending	<u>\$22,832,894</u>	<u>\$ 255,557</u>	<u>\$ 18,839,886</u>

WRPFA Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$30,065,275
-	3,154,970	13,122,621
-	-	741,283
-	223,783	1,163,011
-	352,623	12,396,218
479,723	516,970	6,276,289
<u>479,723</u>	<u>4,248,346</u>	<u>63,764,697</u>
-	-	11,098,357
-	460,139	27,474,916
-	125,852	3,146,227
-	-	6,543,003
-	1,901,022	4,167,097
370,000	-	3,363,378
807,650	-	1,175,665
2,000	-	2,000
1,728	572,843	5,543,627
<u>1,181,378</u>	<u>3,059,856</u>	<u>62,514,270</u>
<u>(701,655)</u>	<u>1,188,490</u>	<u>1,250,427</u>
-	-	161,104
1,323,400	1,107,401	7,771,758
-	(2,493,036)	(3,555,536)
<u>1,323,400</u>	<u>(1,385,635)</u>	<u>4,377,326</u>
621,745	(197,145)	5,627,753
<u>2,336,019</u>	<u>10,710,191</u>	<u>49,771,394</u>
<u>\$ 2,957,764</u>	<u>\$10,513,046</u>	<u>\$55,399,147</u>

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

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

Net change in fund balances - total governmental funds	\$	5,627,753
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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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Depreciation expense	\$	(7,058,250)	
Capital outlay		7,041,030	(17,220)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.

Net book value of capital assets transferred from component unit	7,470,770		
Donations of capital assets		2,620,810	10,091,580

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	79,912		
Fines		(8,836)	71,076

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of those differences in the treatment of long-term debt and related items.

Interest expense	80,750		
Principal payments on financed purchases		133,378	
Payments on contracts		121,500	
Principal payments on bonds		3,230,000	
Amortization of premium		457,686	4,023,314

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	113,291		
Change in claims		33,611	
Pension expense		(3,292,248)	
OPEB expense		(2,563,237)	(5,708,583)

Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

359,385

Change in net position of Governmental Activities	\$	14,447,305
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The accompanying notes to financial statements are an integral part of these statements.

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

	Business-type Activities - Enterprise Funds		
	Major		
	Natural Gas System	Water and Sewer System	Storm Water Drainage
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
CURRENT ASSETS			
Cash and cash equivalents	\$ 6,644,799	\$ 30,969,910	\$ 2,302,734
Receivables, net	1,138,581	2,704,824	402,652
Lease receivable	-	370,467	-
Due from other funds	-	1,005,718	-
Inventories, at cost	-	407,934	-
Prepaid items	12,877	251	910
Restricted			
Cash and cash equivalents	40,625	3,171,086	-
Total current assets	<u>7,836,882</u>	<u>38,630,190</u>	<u>2,706,296</u>
NON CURRENT ASSETS			
Investment in Mid-State Energy (MSEC)			
Commission transmission line	2,176,245	-	-
Land and other non depreciable assets	26,151	10,493,577	711,256
Capital assets, net of accumulated depreciation	9,844,328	74,846,428	20,764,351
Total non current assets	<u>12,046,724</u>	<u>85,340,005</u>	<u>21,475,607</u>
Total assets	<u>19,883,606</u>	<u>123,970,195</u>	<u>24,181,903</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension	164,616	2,039,416	649,321
OPEB	22,323	593,526	171,142
Total deferred outflows of resources	<u>186,939</u>	<u>2,632,942</u>	<u>820,463</u>

Business-type Activities - Enterprise Funds		Governmental Activities
Major Sanitation System	Total	Internal Service Funds
\$ -	\$ 39,917,443	\$ 2,391,214
1,331,777	5,577,834	60,055
-	370,467	-
-	1,005,718	-
-	407,934	-
-	14,038	99,111
-	3,211,711	-
<u>1,331,777</u>	<u>50,505,145</u>	<u>2,550,380</u>
-	2,176,245	-
35,000	11,265,984	-
-	105,455,107	-
<u>35,000</u>	<u>118,897,336</u>	<u>-</u>
<u>1,366,777</u>	<u>169,402,481</u>	<u>2,550,380</u>
-	2,853,353	-
-	786,991	-
<u>-</u>	<u>3,640,344</u>	<u>-</u>

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

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

	Business-type Activities - Enterprise Funds		
	Major		
	Natural Gas System	Water and Sewer System	Storm Water Drainage
<u>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</u>			
CURRENT LIABILITIES			
Accounts payable	823,084	564,627	37,172
Accrued payroll/related liabilities	17,287	50,127	18,504
Due to other funds	-	-	-
Compensated absences	3,090	126,368	36,498
Accrued interest	56,308	616,598	-
Total OPEB liability	12,456	278,182	95,495
Bonds, notes, and loans payable	15,683	2,298,496	-
Total current liabilities	<u>927,908</u>	<u>3,934,398</u>	<u>187,669</u>
NON CURRENT LIABILITIES			
Compensated absences	-	35,809	-
Finance purchase obligations	1,625,000	-	-
Net pension liability	248,717	3,081,331	981,052
Total OPEB liability	168,555	3,764,349	1,292,239
Bonds, notes and loans payable	9,134	39,395,894	-
Total non current liabilities	<u>2,051,406</u>	<u>46,277,383</u>	<u>2,273,291</u>
Total liabilities	<u>2,979,314</u>	<u>50,211,781</u>	<u>2,460,960</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pension	1,521	18,842	5,999
Related to OPEB	773,124	488,908	216,878
Lease related	-	361,949	-
Debt related	-	683,234	-
Total deferred inflows of resources	<u>774,645</u>	<u>1,552,933</u>	<u>222,877</u>
NET POSITION			
Net investment in capital assets	8,220,662	43,645,615	21,475,607
Restricted for capital projects	40,625	3,171,086	-
Unrestricted	8,055,299	28,021,722	842,922
Total net position	<u>\$ 16,316,586</u>	<u>\$ 74,838,423</u>	<u>\$ 22,318,529</u>

Business-type Activities - Enterprise Funds		Governmental Activities
Major Sanitation System	Total	Internal Service Funds
780,706	2,205,589	1,900,891
-	85,918	-
1,005,718	1,005,718	-
-	165,956	-
-	672,906	-
-	386,133	-
-	2,314,179	-
<u>1,786,424</u>	<u>6,836,399</u>	<u>1,900,891</u>
-	35,809	-
-	1,625,000	-
-	4,311,100	-
-	5,225,143	-
-	39,405,028	-
-	<u>50,602,080</u>	-
<u>1,786,424</u>	<u>57,438,479</u>	<u>1,900,891</u>
-	26,362	-
-	1,478,910	-
-	361,949	-
-	683,234	-
-	<u>2,550,455</u>	-
35,000	73,376,884	-
-	3,211,711	-
(454,647)	36,465,296	649,489
<u>\$ (419,647)</u>	<u>\$ 113,053,891</u>	<u>\$ 649,489</u>

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

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

	Business-type Activities - Enterprise Funds		
	Major		
	Natural Gas System	Water and Sewer System	Storm Water Drainage
OPERATING REVENUES			
Charges for services	\$ 23,518,583	\$ 21,615,281	\$ 3,034,687
Connection charges	-	1,480,615	-
Penalties and cut-on fees	145,519	581,381	77,097
Miscellaneous	217,529	1,732,465	168,892
Refund-Southern Natural Gas	989,657	-	-
Distribution line income	397,450	-	-
Total operating revenues	<u>25,268,738</u>	<u>25,409,742</u>	<u>3,280,676</u>
OPERATING EXPENSES			
Purchases/cost of sales	19,855,016	-	-
Personnel services	791,842	5,250,322	1,728,792
Operating expenses	2,568,084	7,035,916	344,683
Repairs and maintenance	19,827	274,959	110,030
Supplies	48,725	1,749,166	115,485
Distribution line expense	99,430	-	-
Bad debt expense	8,049	240,139	22,835
Depreciation	413,792	3,043,757	917,598
Insurance	6,098	87,717	3,633
Total operating expenses	<u>23,810,863</u>	<u>17,681,976</u>	<u>3,243,056</u>
Operating income (loss)	<u>1,457,875</u>	<u>7,727,766</u>	<u>37,620</u>
NON-OPERATING REVENUES (EXPENSES)			
Net gain from joint venture	390,116	-	-
Interest earned	157,441	1,014,036	-
Interest expense and fees	(65,572)	(1,051,285)	-
Cost of issuance	-	(500)	-
Rental income	-	99,263	-
Total non-operating revenues (expenses), net	<u>481,985</u>	<u>61,514</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>1,939,860</u>	<u>7,789,280</u>	<u>37,620</u>
CONTRIBUTIONS AND TRANSFERS			
Capital contribution - developers	-	2,642,739	1,428,348
Transfers out	(2,320,716)	(1,895,506)	-
Total contributions and transfers	<u>(2,320,716)</u>	<u>747,233</u>	<u>1,428,348</u>
CHANGE IN NET POSITION	<u>(380,856)</u>	<u>8,536,513</u>	<u>1,465,968</u>
NET POSITION, beginning	<u>16,697,442</u>	<u>66,301,910</u>	<u>20,852,561</u>
NET POSITION, ending	<u><u>\$ 16,316,586</u></u>	<u><u>\$ 74,838,423</u></u>	<u><u>\$ 22,318,529</u></u>

Business-type Activities - Enterprise Funds		Governmental Activities
Major Sanitation System	Total	Internal Service Funds
\$ 10,175,914	\$ 58,344,465	\$ 12,622,158
-	1,480,615	-
248,785	1,052,782	-
-	2,118,886	-
-	989,657	-
-	397,450	-
<u>10,424,699</u>	<u>64,383,855</u>	<u>12,622,158</u>
-	19,855,016	-
-	7,770,956	-
10,193,014	20,141,697	12,371,289
6,826	411,642	-
-	1,913,376	-
-	99,430	-
88,280	359,303	-
-	4,375,147	-
-	97,448	-
<u>10,288,120</u>	<u>55,024,015</u>	<u>12,371,289</u>
<u>136,579</u>	<u>9,359,840</u>	<u>250,869</u>
-	390,116	-
11	1,171,488	108,516
-	(1,116,857)	-
-	(500)	-
-	99,263	-
<u>11</u>	<u>543,510</u>	<u>108,516</u>
<u>136,590</u>	<u>9,903,350</u>	<u>359,385</u>
-	4,071,087	-
-	(4,216,222)	-
-	(145,135)	-
<u>136,590</u>	<u>9,758,215</u>	<u>359,385</u>
<u>(556,237)</u>	<u>103,295,676</u>	<u>290,104</u>
<u>\$ (419,647)</u>	<u>\$ 113,053,891</u>	<u>\$ 649,489</u>

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

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

	Business-type Activities - Enterprise Funds		
	Major		
	Natural Gas System	Water and Sewer System	Storm Water Drainage
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$26,020,663	\$22,985,610	\$ 3,096,281
Cash paid to suppliers for goods and services and claims paid	(24,054,475)	(9,679,839)	(659,553)
Cash received from other funds for goods and services	-	-	-
Cash received from miscellaneous services	1,207,186	1,732,465	168,892
Cash received for claims reimbursement	-	-	-
Cash paid to employees for services	(1,196,064)	(4,449,261)	(1,941,786)
Net cash provided (used) by operating activities	<u>1,977,310</u>	<u>10,588,975</u>	<u>663,834</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	<u>(2,320,716)</u>	<u>(1,895,506)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal payments			
Bonds, notes, and loans payable	(31,360)	(19,672,647)	-
Acquisition and construction of capital assets	(602,437)	(2,940,698)	(441,317)
Interest and fees paid on revenue bonds payable and notes payable	(49,889)	(1,212,318)	-
Net cash used for capital and related financing activities	<u>(683,686)</u>	<u>(23,825,663)</u>	<u>(441,317)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income on investments	157,440	1,014,036	-
Rental income	-	99,263	-
Net cash provided by investing activities	<u>157,440</u>	<u>1,113,299</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(869,652)	(14,018,895)	222,517
CASH, beginning	<u>7,555,076</u>	<u>48,159,891</u>	<u>2,080,217</u>
CASH, ending	<u><u>\$ 6,685,424</u></u>	<u><u>\$34,140,996</u></u>	<u><u>\$ 2,302,734</u></u>

Business-type Activities - Enterprise Funds		Governmental Activities
Major Sanitation System	Total	Internal Service Funds
\$10,214,676	\$62,317,230	\$ 788,305
(10,214,687)	(44,608,554)	(12,242,196)
-	-	11,777,603
-	3,108,543	-
-	-	294,582
-	(7,587,111)	-
(11)	13,230,108	618,294
-	(4,216,222)	-
-	(19,704,007)	-
-	(3,984,452)	-
-	(1,262,207)	-
-	(24,950,666)	-
11	1,171,487	108,516
-	99,263	-
11	1,270,750	108,516
-	(14,666,030)	726,810
-	57,795,184	1,664,404
\$ -	\$43,129,154	\$ 2,391,214

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

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

	Business-type Activities - Enterprise Funds		
	Major		
	Natural Gas System	Water and Sewer System	Storm Water Drainage
RECONCILIATION OF CASH PER STATEMENT OF CASH FLOWS TO THE BALANCE SHEET			
Cash, beginning			
Current	\$ 7,514,451	\$45,069,922	\$ 2,080,217
Restricted	40,625	3,089,969	-
Total	<u>7,555,076</u>	<u>48,159,891</u>	<u>2,080,217</u>
Net increase (decrease)			
Current	(869,652)	(14,100,012)	222,517
Restricted	-	81,117	-
Total	<u>(869,652)</u>	<u>(14,018,895)</u>	<u>222,517</u>
Cash, ending			
Current	6,644,799	30,969,910	2,302,734
Restricted	40,625	3,171,086	-
Total	<u>\$ 6,685,424</u>	<u>\$34,140,996</u>	<u>\$ 2,302,734</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income	<u>\$ 1,457,875</u>	<u>\$ 7,727,766</u>	<u>\$ 37,620</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	413,792	3,043,757	917,598
Decrease (increase) in assets and deferred outflows			
Accounts receivable	1,967,160	(451,528)	7,332
Due from other funds	-	(6,198)	-
Inventory	-	16,583	-
Prepaid items	(320)	-	(12)
Deferred outflows	190,161	(962,077)	(228,681)
Increase (decrease) in liabilities and deferred inflows			
Accounts payable	(1,456,975)	(471,007)	(57,287)
Accrued payroll and related liabilities	(10,842)	(71,459)	(28,423)
Due to other funds	-	-	-
Compensated absences payable	(1,004)	(22,424)	(2,942)
Pension liability	147,138	2,795,341	872,655
OPEB liability	(155,866)	(405,969)	(296,650)
Deferred inflows	(573,809)	(603,810)	(557,376)
Total adjustments	<u>519,435</u>	<u>2,861,209</u>	<u>626,214</u>
Net cash provided (used) by operating activities	<u>\$ 1,977,310</u>	<u>\$10,588,975</u>	<u>\$ 663,834</u>
Noncash capital financing activities			
Contributions from developers	<u>\$ -</u>	<u>\$ 2,642,739</u>	<u>\$ 1,428,348</u>
Lease receivable obtained through deferred inflow of resources	<u>\$ -</u>	<u>\$ 129,505</u>	<u>\$ -</u>
Noncash investing activities			
Change in investment in MSE	<u>\$ 390,117</u>	<u>\$ -</u>	<u>\$ -</u>

Business-type Activities - Enterprise Funds		Governmental Activities
Major Sanitation System	Total	Internal Service Funds
\$ -	\$54,664,590	\$ 1,664,404
-	3,130,594	-
-	57,795,184	1,664,404
-	(14,747,147)	726,810
-	81,117	-
-	(14,666,030)	726,810
-	39,917,443	2,391,214
-	3,211,711	-
\$ -	\$43,129,154	\$ 2,391,214
\$ 136,579	\$ 9,359,840	\$ 250,869
-	4,375,147	-
(121,743)	1,401,221	(56,250)
-	(6,198)	-
-	16,583	-
-	(332)	2,261
-	(1,000,597)	-
(21,045)	(2,006,314)	421,414
-	(110,724)	-
6,198	6,198	-
-	(26,370)	-
-	3,815,134	-
-	(858,485)	-
-	(1,734,995)	-
(136,590)	3,870,268	367,425
\$ (11)	\$13,230,108	\$ 618,294
\$ -	\$ 4,071,087	\$ -
\$ -	\$ 129,505	\$ -
\$ -	\$ 390,117	\$ -

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

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City of Warner Robins, Georgia (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The City adopted a Home Rule Charter on March 5, 1943. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety, streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The City is a municipal corporation governed by an elected mayor and a six-member council. As required by generally accepted accounting principles, these financial statements present the government entities for which the City is considered to be financially accountable. The basic criterion for including a component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete, as discussed in GASB Statement No. 14, The Financial Reporting Entity.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government; however GASB suggests that most component units should be discretely presented. The City is allowed to use one or more columns to present the discretely presented component units which are governmental or proprietary in nature because of the differences of measurement focus and basis of accounting.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Discretely Presented Component Units

The Downtown Development Authority of the City of Warner Robins (DDA)

The Downtown Development Authority of The City of Warner Robins, Georgia's purpose is to promote trade, commerce, industry, and employment within the City. The DDA is a legally separate entity for which the City is financially accountable and is reported as a discretely presented component unit. The Mayor and Council of the City of Warner Robins appoint its Board of Directors.

The Development Authority of the City of Warner Robins (DAWR) d/b/d Engage Warner Robins

Engage Warner Robins purpose is to promote trade, commerce, industry, and employment within the City. Engage Warner Robins is a legally separate entity for which the City is financially accountable and is reported as a discretely presented component unit. The Mayor and Council of the City of Warner Robins appoint its Board of Directors.

Blended Component Unit

The Warner Robins Public Facilities Authority (WRPFA)

Although legally a separate entity, the WRPFA is appropriately blended as a capital projects fund. The Mayor and Council of the City of Warner Robins serve as its governing board.

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or an ongoing financial responsibility. The City participates in the following joint ventures:

Mid-State Energy Commission (MSEC)

The MSEC operates a natural gas transmission line for the benefit of its member cities. The City owns a 40.16% interest and appoints one member to its board. Additional information is located at Note 4.

Middle Georgia Regional Commission (MGRC)

The City is a member of the Middle Georgia Regional Commission. The MGRC does various planning and consulting work for its members. During its year ended June 30, 2023, the City paid \$179,154 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Regional Commissions of Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission.

Financial statements for each of the individual joint ventures may be obtained at the administrative offices of each of the activities.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Related Organization

Warner Robins Housing Authority (WRHA)

The Warner Robins Housing Authority is a related organization which has not been included in the reporting entity. Although the City appoints the Governing Board, it does not exercise the other prerequisites for inclusion as a component unit. The WRHA operates under various Federal housing programs to provide low income housing units. The City has no accountability or obligation for the WRHA beyond making these appointments.

Government-Wide and Fund Financial Statements

The government-wide financial statements (consisting of the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City (the primary government) and its component units. In all material respects, the effect of interfund activity has been removed from these statements. 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 City is reported separately from certain legally separate component units for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City has elected not to allocate indirect cost amounts to the programs, functions and segments.

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 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 City has no fiduciary funds.

Measurement Focus, Basis of Accounting and Basis of Presentation

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

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including accrued interest on general long-term debt, is recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the requirements for accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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, including special assessments. 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 revenues of the City's proprietary funds are charges to customers for sales and services; operating expenses 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.

The City reports the following major governmental funds:

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

The *American Rescue Plan Fund* accounts for funds received from the American Rescue Plan (ARP) Act of 2021.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The *Special Purpose Local Option Sales Tax (SPLOST) 2018 Capital Projects Fund* accounts for 1% sales tax proceeds required to be used for capital outlay for enhancement and rehabilitation purposes as authorized by local referendum.

The *Warner Robins Public Facilities Authority (WRPFA) Capital Projects Fund* accounts for the 2018 revenue bonds and the related capital projects.

The City reports the following major proprietary funds:

Natural Gas System Fund: The Natural Gas System Fund accounts for the operation of the City's natural gas system for residents and businesses in the City and contiguous area in Houston County.

Water and Sewer System Fund: The Water and Sewer System Fund accounts for the operations of the City's potable water and wastewater services to residents and businesses in the City and contiguous areas in Houston County and Peach County.

Storm Water Drainage Fund: The Storm Water Drainage Fund accounts for the operation of the City's storm water drainage system for residents and businesses in the City and contiguous area in Houston County.

Sanitation System Fund: The Sanitation System Fund accounts for the operation of the City's sanitation services to residents and businesses in the City.

The City also reports the following fund type:

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

Budgets

The City follows certain accounting principles for general fund budgetary reporting purposes that differ from GAAP, the most significant of which are encumbrances being treated as expenditures and appropriations of prior year fund balances being treated as revenue for budgetary purposes, and interfund and interdepartmental transfers under accounting principles generally accepted in the United States of America being treated as revenues and/or expenditures for budgetary reporting purposes.

In addition, the City's budgetary reporting for insurance claims, compensated absences, and investment income is done in accordance with the cash basis method of accounting, as opposed to the modified accrual method required by accounting principles generally accepted in the United States of America. Also, financed purchases are not budgeted.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budgets for the general fund, special revenues and enterprise funds are formally adopted each year through the passage of an appropriation resolution. Unencumbered appropriations lapse at fiscal year-end. Project length financial plans are legally adopted for all capital projects funds.

Encumbrances represent commitments related to underperformed contracts for goods or services. 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 utilized in governmental funds. Encumbrances outstanding at year-end are reported as commitments of fund balances and do not constitute expenditures or liabilities because goods and services have not been received in the current year. However, for budgetary purposes, encumbrances are treated as expenditures.

Assets, Liabilities and Equity

Cash and Cash Equivalents - The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments are carried at cost, which approximates market value.

The Official Code of Georgia (OCGA) Section 36-83-4 provides authorization to the City to invest in obligations of the State of Georgia, the United States government, instruments insured or guaranteed by the United States government, a United States government agency, corporate entities of the United States government, prime bankers' acceptances, local government pools, repurchase agreements and other political subdivisions of the state of Georgia.

OCGA Section 45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by guarantee of insurance or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (OCGA 45-8-13.1) the aggregate of the market value of the securities pledged to secure a pool of public funds shall be not less than 110 percent of the daily pool balance. OCGA 45-8-11(b) provides an officer holding public funds may, in his discretion, waive the requirement for security in the case of operating funds placed in the demand deposit checking accounts. The City has no custodial credit risk policy that would require additional collateral requirements.

The City invests in "Georgia Fund 1", created by OCGA 36-83-8. Georgia Fund 1 is a stable net asset value investment pool which follows Standard and Poor's criteria for AA+ rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. Georgia Fund 1 is not registered with the Security and Exchange Commission (SEC) as an investment company. The regulatory oversight for the pool is the Office of State Treasurer. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). The fair value of the City's position in Georgia Fund 1 is the same as the value of the pool shares. Net asset value is calculated weekly to ensure stability. Georgia Fund 1 distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment policies for Georgia Fund 1 are established by the State Depository Board and investments may include certificates of deposit; prime banker's acceptances; repurchase agreements; insured or guaranteed obligations of the United States government and its agencies; obligations of any states; and obligations of political subdivisions of the State of Georgia. State law allows the City to invest in these same instruments.

The City's use of daily sweeps of zero balance accounts allows the City portfolio to be fully invested at all times.

In accordance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds*, each fund's equity in the City's investment pool is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Receivables - Property taxes are levied on property as of January 1st of each year. The City billed property owners on October 10, and taxes were due on December 20. The tax levy was set on September 19, 2022. Property taxes are delinquent after January 1st and are subject to penalties and interest. Measurable but unavailable taxes as of the end of year are accounted for as unearned revenue, and while delinquent taxes are considered fully collectible, an allowance has been made for uncollectible taxes resulting from errors and omissions. The City considers property tax revenues available if they are collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities in the current period.

Utility service accounts receivable reported in the enterprise funds is reported net of an allowance for uncollectible amounts. The uncollectible amounts are based on collection experience and a review of the status of existing receivables.

All balances reported as "due to/due from other funds" represents amounts paid by one fund on behalf of another fund for which reimbursement has not been made by year end.

Municipal Court Fines are recognized as revenue when the case has been settled by the judge. Penalties, certain fees and other miscellaneous revenues are recorded when received in cash because they are generally not measurable until actually received.

Leases – Lessee: The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Lessor: The City is a lessor for a noncancellable lease of equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and proprietary fund financial statements.

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

Key estimates and judgements include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Inventories and Prepaid Items - Inventory of expendable supplies is valued at cost (first-in, first-out). The inventory is comprised of parts and material as well as consumable supplies for all departments of the City. They are charged to each department on a consumed basis. Certain payments which reflect costs applicable to future accounting periods are recorded as prepaid items.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Restricted Assets - These assets included the debt service, debt service reserves, renewal and extension, construction, and customer deposit funds. The debt service and debt service reserve funds were maintained in compliance with their respective bond resolutions. Expenditures from the construction funds require written approval of the City's consulting engineers. Details of the transactions are presented on the various pages as indicated in the table of contents of this report. Interest earned on the investments is included in each of their respective funds.

Capital Assets - Capital assets, which include property, plant, equipment 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 more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the time of donation and disposals are removed at recorded cost.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Assets	Years
Buildings and improvements	20-50
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-10

Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets (i.e., roads, bridges, tunnels).

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the government chose to include all such items regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Unearned Revenue - Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

Deferred Outflows/Inflows of Resources - In addition to assets, the Statement of Net Position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The items relate to the City's Pension and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. These relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent 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 four items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the items, *unavailable revenue*, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from fines, property taxes, leases and sales taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other three items relate to the deferred amounts for leases, debt refunding and in the City's Pension and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position.

Compensated Absences - The vacation policy of the City provides for the accumulation of up to 240 hours (360 hours for certain public safety officers) of earned vacation leave which may be carried forward from one year to the next. Such leave is fully vested when earned. For the governmental funds, the liability is not recorded since vacation leave is not expected to be materially liquidated with expendable available financial resources. For the government-wide and enterprise fund, the liability is recorded in each fund's financial statements.

The City's sick leave policy provides for the accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made. Accumulated leave of governmental funds that is expected to be liquidated with expendable available financial resources is reported as expenditures in the fund financial statements. All accumulated leave, including that which is not expected to be liquidated with expendable available financial resources, is reported in the government-wide

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

financial statements. Accumulated leave of Enterprise Funds is recorded as an expense and liability of the respective fund as the benefits accrue to employees.

Liabilities for compensated absences are recorded as other liabilities and accrued expenses in the Enterprise Funds. In accordance with the provisions of GASB No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Long Term Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt 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.

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 Georgia Municipal Employees Benefit System (GMEBS) and additions to/deductions from the GMEBS fiduciary net position have been determined on the same basis as they are reported to GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB - For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Fund Equity, Fund Balance and Net Position – 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.”

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. As of June 30, 2023, the classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified inventories and prepaid items as being nonspendable because they are assets that are not in a spendable form.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified forfeitures as being restricted because their use is restricted by State Statute for police investigative expenditures.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid capital assets less outstanding capital asset related debt.

Restricted Net Position - represent funds for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Unrestricted Net Position - represent unrestricted liquid assets. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bond Issuance Costs - In both governmental and business fund types, bond issuance costs are recognized in the current period as an outflow of resources.

Unbilled Service Receivables - Unbilled service receivables have been accrued at year-end. This accounting is consistent with prior years.

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions are reported as transfers.

Allowance for Uncollectible Accounts - Allowances for uncollectible accounts are maintained for all types of receivables which have historically experienced uncollectible accounts.

Allowance for Uncollectible Loans - Allowances for uncollectible loans are established when City management determines its ability to collect the outstanding loan balance has been impaired. Loans are reviewed on an annual basis to evaluate collectability. Primary considerations in this are management's evaluation of the fair value of the collateral, if any (net of any outstanding superior debt), the current level of delinquency for real estate-based loans, and business and economic conditions.

Use of Estimates - Preparation of the City's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities deferred inflows and outflows and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The City has adopted the following procedures in establishing the budgetary data reflected in the financial statements.

In accordance with the City Charter, six weeks prior to the start of the City's year, the Mayor submits to the City Council a proposed operating budget for the upcoming year. The operating budget includes proposed expenditures and means of financing them for the upcoming year.

Public hearings are conducted at City Hall to obtain taxpayer comment.

Prior to the first day of the new year, the budget is legally enacted through passage of an ordinance for the General Fund, each Special Revenue Fund and for all Enterprise Funds except for the Building Authority of Warner Robins and the Development Authority of Warner Robins.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary control is legally maintained at the expenditures level for each department and formal budgetary integration is employed as a management control device during the year.

Budgets are prepared using the modified accrual basis of accounting with encumbrances included as budgetary basis expenditures.

The Chief Financial Officer is authorized to transfer budgeted amounts between departments, programs or functions, or increase expenditures resulting from revenues exceeding amounts estimated upon the approval of Mayor and Council.

The Capital Project Funds utilize annual budgets or project length budgets depending on the project timelines.

Unencumbered appropriations lapse at the end of each year.

The City Council may authorize supplemental appropriations during the year. During the year several supplemental appropriations were necessary.

There were no material violations of finance-related legal or contractual provisions in connection with the basic financial statements and to other governmental funds for which annual budgets are required.

Budget/Appropriated-Governmental Fund Type Reconciliation

The following schedule reconciles the original budget including prior year encumbrances to the final budget including appropriations for the General Fund.

	<u>General Fund</u>
Original adopted budget	\$ 60,740,857
Prior year encumbrances carry forward	1,600,105
Legally adopted budget amendments	<u>(6,787,592)</u>
Final revised budget	<u><u>\$ 55,553,370</u></u>

Excess of Expenditures over Appropriations

General Fund expenditures exceeded budgeted amounts in the following General Government activities:

Elections	<u><u>\$ 244</u></u>
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CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

At June 30, 2023, the Sanitation System Fund a major enterprise fund, the Group Health Insurance Fund, an internal service fund, and the Downtown Development Authority, a component unit has a deficit net position of \$419,647, \$735,829 and \$57,716, respectively.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Deposits and Investments

A summary of the City's deposits and investments at June 30, 2023 follows:

Account Balances	
Petty cash	\$ 6,598
Demand deposits	60,062,279
Investments (cash equivalents)	52,079,756
	<u>\$ 112,148,633</u>
Ownership of Funds	
<u>Primary Government</u>	
Governmental funds	
Cash and cash equivalents	\$ 62,026,223
Restricted cash and cash equivalents	4,071,211
Proprietary funds	
Cash and cash equivalents	39,917,443
Restricted cash and cash equivalents	3,211,711
Internal service funds	
Cash and cash equivalents	2,391,214
Total primary government	<u>111,617,802</u>
<u>Discretely Presented Component Unit</u>	
Engage Warner Robins	530,831
Total component unit	<u>530,831</u>
Total Government	<u>\$ 112,148,633</u>

As of June 30, 2023, the City had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1 (investment pool)	28 day weighted average	\$ 51,915,801
Certificate of Deposit	12/22/2023	163,955
		<u>\$ 52,079,756</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

The City's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the City's custodial banks in the City's name.

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

Credit Risk is the risk an issuer or counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices from those authorized and listed in Note 1. As of June 30, 2023, the City's investments in Georgia Fund I was rated AA+ by Standard and Poor's.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City places no limit on the amount the City may invest in any one issuer. The Georgia Fund I investment pool is excluded from concentration of credit risk.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for a asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that they City has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City had no fair value measurements as of June 30, 2023.

Real-estate (held for investment and/or resale)

The Community Development Fund holds property which it has acquired in the execution of its program requirements. Part of this property consists of residential dwellings which are being rented at low rates to qualified applicants with the balance of the property in open land held for resale. These properties are valued at cost. As of June 30, 2023, real estate held for investment and/or resale in the Community Development Fund was \$51,750.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

The Development Authority of the City of Warner Robins, Georgia (d/b/a Engage Warner Robins) holds property which was purchased from the federal government. This property consists of land in close proximity to City Hall which has been subdivided into lots and is being held for resale. These properties are valued at cost. As of June 30, 2023, real estate held for investment and/or resale in the Development Authority of the City of Warner Robins Fund was \$1,156,476.

Receivables

The following is a summary of the receivables for each fund:

Major Governmental Funds	
General Fund	
Property taxes (net)	\$ 496,258
Business licenses (net)	94,212
Other	152,566
Total General Fund	<u>743,036</u>
SPLOST 2018	48,267
WRPFA	63,385
Total Major Governmental Funds	<u>854,688</u>
Non-Major Governmental Funds	
Accounts receivable (net)	178,058
Total Governmental Funds	<u>\$ 1,032,746</u>
Major Proprietary Funds	
Accounts receivable (net)	
Natural Gas Fund	\$ 1,138,581
Water and Sewer System Fund	2,704,824
Storm Water Drainage Fund	402,652
Sanitation System Fund	1,331,777
Total Business type Funds	<u>\$ 5,577,834</u>
Accounts receivable (net)	\$ 60,055
Total Internal Service Fund	<u>\$ 60,055</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

The following is a brief description of the receivable amounts:

Major Governmental Fund-General Fund:

Unpaid property taxes for all years totaled \$618,512 at June 30, 2023, of which \$122,254 are estimated uncollectible.

Unpaid business licenses for the year ended June 30, 2023 totaled \$190,489 of which \$96,277 are estimated uncollectible.

The remaining General Fund accounts receivables were due from charges to certain organizations for costs associated with the use of City property. All of these receivable amounts were recorded as revenue or were used to offset the associated expense during the year.

Non-Major Governmental Fund-Special Revenue Fund:

Direct loans were made from the revolving rehabilitation account. These loans are made to qualified residents under provisions of the grants. The City had various notes receivable due from sales of lots or houses on an installment basis.

Major Proprietary Funds:

Accounts receivable represented amounts owed to the Utility Department by its gas, water and sanitation customers for user charges. After accounts become three months past due, they are written off and turned over to the Credit Bureau for collection. Subsequent collections by the Credit Bureau, less their fee, are recorded as recovery of bad debts on the income statement. The estimated uncollectible amount of these accounts at June 30, 2023 was \$181,899.

Internal Service Funds:

Accounts receivable represented amounts owed to the internal service funds for claims recovery from customers.

Internal Balances Component Unit

The General Fund reports a Due from Component Unit in the amount of \$37,649. This amount due to the Primary Government from the Downtown Development Authority (Discretely Presented Component Unit) is due to a negative cash balance in the City's pooled cash account

Interfund Receivables, Payables and Transfers

The Sanitation Fund reports a Due to the Water and Sewer System Fund in the amount of \$1,005,718. The amount is due to a negative cash balance in the City's pooled cash as of June 30, 2023.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Interfund transfers were as follows:

Transfer to	Transfer From				Total
	General Fund	Nonmajor Governmental	Natural Gas System	Water and Sewer System	
General Fund	\$ -	\$ 1,124,735	\$ 2,320,716	\$ 1,895,506	\$ 5,340,957
WRPFA	1,062,500	260,900	-	-	1,323,400
Nonmajor Governmental	-	1,107,401	-	-	1,107,401
	<u>\$ 1,062,500</u>	<u>\$ 2,493,036</u>	<u>\$ 2,320,716</u>	<u>\$ 1,895,506</u>	<u>\$ 7,771,758</u>

The above listed transfers represent the total transfers to/from other funds at June 30, 2023 and were used for the purpose of supplementing the various fund sources as well as complete budgeted capital projects. Interfund transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type group.

Due From Other Governments

Amounts due from other governments at June 30, 2023, have been included in revenues of the various funds as follows:

Major Governmental Fund - General Fund		
Federal Government		
Department of Justice		\$ 33,975
State of Georgia		
Department of Transportation		37,837
Department of Community Affairs		66,375
Department of Human Services		12,000
Houston County		
Motor vehicle, mobile home and intangible taxes		949,132
Mid-State Energy Transmission Lines		
Reimbursable expenses		209,825
Total General Fund		<u>1,309,144</u>
Major Governmental Fund - SPLOST 2018		
Houston County		
Special Local Option Sales Tax		<u>1,598,397</u>
Total Major Governmental Funds		<u>2,907,541</u>
Non-Major Governmental Fund		
Federal Government		<u>321,263</u>
Total Non-Major Governmental Fund		<u>321,263</u>
Total Governmental Funds		<u>\$ 3,228,804</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Capital Assets

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

Primary Government

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Governmental Activities					
Nondepreciable assets					
Land	\$ 21,433,259	\$ 566,914	\$ -	\$ 786,324	\$ 22,786,497
Construction in progress	12,253,532	3,449,155	-	(2,893,597)	12,809,090
Total nondepreciable assets	<u>33,686,791</u>	<u>4,016,069</u>	<u>-</u>	<u>(2,107,273)</u>	<u>35,595,587</u>
Depreciable assets					
Buildings and improvements	37,592,957	1,233,825	-	9,040,746	47,867,528
Machinery and equipment	28,563,745	2,331,859	(708,328)	745,272	30,932,548
Infrastructure	189,123,197	2,080,087	-	2,182,423	193,385,707
Total depreciable assets	<u>255,279,899</u>	<u>5,645,771</u>	<u>(708,328)</u>	<u>11,968,441</u>	<u>272,185,783</u>
Less accumulated depreciation					
Buildings and improvements	9,737,611	1,542,096	-	1,908,860	13,188,567
Machinery and equipment	21,989,676	1,534,633	(708,328)	481,538	23,297,519
Infrastructure	91,341,270	3,981,521	-	-	95,322,791
Total accumulated depreciation	<u>123,068,557</u>	<u>7,058,250</u>	<u>(708,328)</u>	<u>2,390,398</u>	<u>131,808,877</u>
Total depreciable assets, net	<u>132,211,342</u>	<u>(1,412,479)</u>	<u>-</u>	<u>9,578,043</u>	<u>140,376,906</u>
Governmental activities capital assets, net	<u>\$ 165,898,133</u>	<u>\$ 2,603,590</u>	<u>\$ -</u>	<u>\$ 7,470,770</u>	<u>\$ 175,972,493</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Primary Government

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Business-Type Activities					
Nondepreciable assets					
Land	\$ 772,408	\$ 5,500	\$ -	\$ -	\$ 777,908
Construction in progress	7,782,454	2,705,622	-	-	10,488,076
Total nondepreciable assets	<u>8,554,862</u>	<u>2,711,122</u>	<u>-</u>	<u>-</u>	<u>11,265,984</u>
Depreciable assets					
Buildings and improvements	448,156	-	-	-	448,156
Machinery and equipment	11,204,569	323,575	-	-	11,528,144
Distribution systems	182,704,679	4,891,337	-	-	187,596,016
Total depreciable assets	<u>194,357,404</u>	<u>5,214,912</u>	<u>-</u>	<u>-</u>	<u>199,572,316</u>
Less accumulated depreciation					
Buildings and improvements	369,382	4,267	-	-	373,649
Machinery and equipment	9,846,029	399,129	-	-	10,245,158
Distribution systems	79,526,651	3,971,751	-	-	83,498,402
Total accumulated depreciation	<u>89,742,062</u>	<u>4,375,147</u>	<u>-</u>	<u>-</u>	<u>94,117,209</u>
 Total depreciable assets, net	 <u>104,615,342</u>	 <u>839,765</u>	 <u>-</u>	 <u>-</u>	 <u>105,455,107</u>
 Business-type activities capital assets, net	 <u>\$ 113,170,204</u>	 <u>\$ 3,550,887</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 116,721,091</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Component Unit

	Beginning Balance	Increases	Decreases	Transfers/ Reclassifications	Ending Balance
Engage Warner Robins					
Nondepreciable assets					
Land	\$ 1,120,379	\$ -	\$ -	\$ (786,324)	\$ 334,055
Total nondepreciable assets	<u>1,120,379</u>	<u>-</u>	<u>-</u>	<u>(786,324)</u>	<u>334,055</u>
Depreciable assets					
Buildings and improvements	8,755,591	-	-	(8,329,572)	426,019
Machinery and equipment	<u>745,272</u>	<u>-</u>	<u>-</u>	<u>(745,272)</u>	<u>-</u>
Total depreciable assets	<u>9,500,863</u>	<u>-</u>	<u>-</u>	<u>(9,074,844)</u>	<u>426,019</u>
Less accumulated depreciation					
Buildings and improvements	2,049,779	10,604	-	(1,908,860)	151,523
Machinery and equipment	<u>481,538</u>	<u>-</u>	<u>-</u>	<u>(481,538)</u>	<u>-</u>
Total accumulated depreciation	<u>2,531,317</u>	<u>10,604</u>	<u>-</u>	<u>(2,390,398)</u>	<u>151,523</u>
Total depreciable assets, net	<u>6,969,546</u>	<u>(10,604)</u>	<u>-</u>	<u>(6,684,446)</u>	<u>274,496</u>
Governmental activities capital assets, net	<u>\$ 8,089,925</u>	<u>\$ (10,604)</u>	<u>\$ -</u>	<u>\$ (7,470,770)</u>	<u>\$ 608,551</u>

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

Governmental Activities	
General government	\$ 310,387
Public safety	1,697,695
Recreation	1,148,252
Public works	3,824,265
City development	71,488
Downtown development	<u>6,163</u>
Total depreciation expense-governmental activities	<u>\$ 7,058,250</u>
Business-type Activities	
Natural Gas System	\$ 413,792
Water and Sewer System	3,043,757
Storm Water Drainage	<u>917,598</u>
Total depreciation expense-business-type activities	<u>\$ 4,375,147</u>
Component Units	
Engage Warner Robins	<u>\$ 10,604</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Commitments

Construction Commitments. The government has active construction projects outstanding as of June 30, 2023. The projects include street construction and construction of additional water plant facilities. At year end the government's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining (Excess) Commitment
Governmental Activities		
Sports Complex	\$ 1,770,886	\$ 1,230,866
Elberta Rd @ N. Houston to 247 (Widen)	2,072,193	4,537,807
Pleasant Hill Road	4,137	5,495,863
International Industrial Park Infrastructure	15,000	85,000
Sidewalks	1,398,930	867,050
Fire Dept Training Center	1,313,491	1,050,509
Simpson Park	30,422	171,313
Wall Street Development	835,954	10,370
Wan Network Project	2,589,500	400,000
Visitor Center (I-75)	280,791	625,585
Watson Streetscape	326,740	1,173,260
Armed Forced Blvd - Infrastructure Improv	232,513	15,487
	\$ 10,870,557	\$ 15,663,110
Business-Type Activities		
WWTP Improvements	\$ 1,016,391	\$ 746,609
Water Treatment Plant	2,955,657	(1,084,657)
Groundwater Supply Well	594,579	197,421
Elevated Water Tank	2,583,564	(213,505)
Wastewater Plant #1	2,259,369	(950,907)
Total business-type activities	\$ 9,409,560	\$ (1,305,039)

The Wall Street Development project noted above is administered by Houston County Board of Commissioners.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Encumbrances. As discussed in Note 1, Budgetary information, Budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored are as follows:

General Fund	\$ 1,101,969
SPLOST 2018 Capital Projects Fund	1,645,272
Nonmajor Governmental Funds	1,379,817
Total	<u>\$ 4,127,058</u>

Long Term Obligations

The following is a summary of changes in non-current liabilities including current portions reported in the Statement of Net Position.

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Financed purchases	\$ 1,014,552	\$ -	\$ (133,378)	\$ 881,174	\$ 136,652
Compensated absences	1,691,216	1,034,823	(1,148,114)	1,577,925	1,101,012
Claims and judgments	284,199	250,588	(284,199)	250,588	250,588
Contracts payable	1,852,500	-	(121,500)	1,731,000	126,000
Bonds payable, net	29,844,946	-	(3,687,686)	26,157,260	4,018,045
Total governmental activities	<u>34,687,413</u>	<u>1,285,411</u>	<u>(5,374,877)</u>	<u>30,597,947</u>	<u>5,632,297</u>
Business-Type Activities					
Revenue bonds, net	61,423,212	-	(19,704,005)	41,719,207	2,314,179
Financed purchases	1,625,000	-	-	1,625,000	-
Compensated absences	228,135	156,103	(182,473)	201,765	165,956
Total business-type activities	<u>63,276,347</u>	<u>156,103</u>	<u>(19,886,478)</u>	<u>43,545,972</u>	<u>2,480,135</u>
Total long-term liabilities	<u>\$ 97,963,760</u>	<u>\$ 1,441,514</u>	<u>\$ (25,261,355)</u>	<u>\$ 74,143,919</u>	<u>\$ 8,112,432</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Claims and judgments are classified as short term debt. For the governmental activities, contracts payable, claims and judgments and compensated absences are generally liquidated by the General Fund. Bonds payable are paid by the 2018 SPLOST Fund, the Hotel/Motel Tax Fund, and the General Fund through transfers to the WRPFA capital projects fund. Accrued interest payable in the business-type activities is related to the MGAG financed purchase, further explained in the financed purchases section of this note.

Contracts Payable

In June 2018, the City entered into an intergovernmental contract with the Joint Development Authority of Peach County and the City of Warner Robins (JDA) to pay for \$2,190,000 (30%) of the total \$7,300,000 in JDA Industrial Development Revenue Bond, Series 2018 issued by the JDA. Under the terms of the contract, the City is obligated to make payments to the JDA sufficient to pay thirty percent of the principal of, interest on, and other amounts with respect to, the Series 2018 Bond as the same shall become due. The bond in the amount of \$7,300,000 was issued in order to (1) to refund and refinance the JDA's taxable industrial development revenue bond, Series 2017, which was issued on July 12, 2017 in the original principal amount of \$2,500,000; (2) finance, in part, the cost of the development, acquisition, constructing, and leasing of an industrial building and related property; and (3) pay the costs of issuance of the Series 2018 Bonds. The bond was issued with interest rates of 4.0% to 5.0%, to be paid semiannually commencing September 30, 2019. Annual principal payments commence September 30, 2020 with the final payment due September 30, 2034.

In June 2018, the Joint Development Authority of Peach County and the City of Warner Robins, the Development Authority of the City of Warner Robins, the Development Authority of Peach County, the City of Warner Robins, and Peach County entered into an intergovernmental contract to confirm timing of payments required by the previous intergovernmental contracts, and the use of the proceeds.

The annual requirements to amortize contracts payable as of June 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 126,000	\$ 81,210	\$ 207,210
2025	130,500	76,170	206,670
2026	136,500	70,950	207,450
2027	141,000	65,490	206,490
2028	147,000	59,850	206,850
2029-2033	853,500	181,275	1,034,775
2034	196,500	9,825	206,325
	<u>\$ 1,731,000</u>	<u>\$ 544,770</u>	<u>\$ 2,275,770</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Revenue bonds

Warner Robins Public Facilities Authority

\$34,980,000-Series 2018 Warner Robins Public Facilities Authority Revenue Bonds due in annual installments of \$1,586,000 to \$4,751,400 thru July 2038; Interest at 3.0% to 5.0%. Bonds are pledged by the full faith and credit of the City. Proceeds will be used to finance the acquiring, constructing, equipping, and installing of capital outlay projects throughout the City. \$ 23,780,000

The total annual debt service requirements for the WRPFA revenue bonds outstanding at June 30, 2023, are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 3,525,000	\$ 1,004,275	\$ 4,529,275
2025	3,835,000	827,025	4,662,025
2026	845,000	716,775	1,561,775
2027	895,000	673,275	1,568,275
2028	935,000	627,525	1,562,525
2029-2033	5,435,000	2,367,875	7,802,875
2034-2038	6,785,000	1,004,700	7,789,700
2039	1,525,000	300,500	1,825,500
	\$ 23,780,000	\$ 7,521,950	\$ 31,301,950

Also included in revenue bonds payable presented in the statement of net position is a bond premium of \$2,377,260 related to the \$34,980,000 – Series 2018 Revenue Bond to be amortized over the life of the bond, of which \$493,045 is current.

Water and Sewer

\$22,040,000- Water and Sewer Revenue Refunding and Improvement Bonds Series 2020 (Series 2020 Bonds) due in annual installments of \$193,323 to \$1,449,575 thru July 2040; Interest at 3.0% to 5.0%. Bonds are pledged by the full faith and credit of the City. Proceeds will be used to (a) prepaying the GEFA loan (b) acquiring, constructing, equipping, and installing the Series 2020 Project, which is more detailed in the bond documents. \$ 20,945,000

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

\$17,280,000- Warner Robins Public Facilities Authority Revenue Refunding Bonds, Series 2022 (Series 2022 Bonds) due in annual installments of \$1,580,000 to \$1,895,000 thru July 2032; Interest at 1.85% to 2.3%. Bonds are pledged by the full faith and credit of the City. Proceeds will be used to refund the Series 2012 Water and Sewer Projects bonds.

\$ 17,280,000

The total annual debt service requirements for the 2020 water and sewer revenue bonds and the 2022 revenue refunding bonds outstanding at June 30, 2023, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,170,000	\$ 1,203,830	\$ 3,373,830
2025	2,230,000	1,143,670	3,373,670
2026	2,290,000	1,080,635	3,370,635
2027	2,355,000	1,014,570	3,369,570
2028	2,425,000	945,269	3,370,269
2029-2033	12,165,000	3,660,910	15,825,910
2034-2038	3,145,000	2,482,200	5,627,200
2039-2043	3,735,000	1,892,575	5,627,575
2044-2048	4,525,000	1,104,100	5,629,100
2049-2051	3,185,000	194,500	3,379,500
	<u>\$ 38,225,000</u>	<u>\$ 14,722,259</u>	<u>\$ 52,947,259</u>

Also included in revenue bonds payable presented in the statement of net position are the bond premium of \$3,469,390 related to the \$22,040,000 – Series 2020 Revenue Bond to be amortized over the life of the bond and the \$24,817 premium recognized in conjunction with the series 2011 revenue bonds issued by MGAG for distribution lines, to be amortized over the life of the agreement, of which \$128,496 and \$15,683, respectively is current. (See Financed Purchases below.)

Leases

On July 1, 2021, the City implemented GASB 87 (Statement). This Statement increases the usefulness of governments' and government related entities financial statements by requiring recognition of the certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right to- use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

All leases were tracked through an internal online software. Leases that were entered into the software had an agreement that conveyed the right to use the asset, whether it be a building or land. Leases that qualified were at least over a 12-month period.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Lease Receivable

Governmental Funds

On July 1, 2021, Warner Robins, GA entered into a 69 month lease as Lessor for the use of 214 Stalnaker Avenue. An initial lease receivable was recorded in the amount of \$101,280. As of June 30, 2023, the value of the lease receivable is \$70,615. The lessee is required to make monthly fixed payments of \$1,200. The lease has an interest rate of 1.6630%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$66,052, and Warner Robins, GA recognized lease revenue of \$17,614 during the fiscal year. The lessee has 4 extension option(s), each for 60 months.

On July 1, 2021, Warner Robins, GA entered into a 25 month lease as Lessor for the use of Wellborn Road. An initial lease receivable was recorded in the amount of \$55,632. As of June 30, 2023, the value of the lease receivable is \$2,480. The lessee is required to make monthly fixed payments of \$2,000. Additionally, there are monthly other reasonably certain payments of \$480.00. The lease has an interest rate of 0.2180%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$2,226, and Warner Robins, GA recognized lease revenue of \$26,703 during the fiscal year. The lessee has 4 extension option(s), each for 60 months.

Proprietary Funds

On July 1, 2021, Warner Robins, GA entered into a 75 month lease as Lessor for the use of USC-Southern Linc. An initial lease receivable was recorded in the amount of \$55,034. As of June 30, 2023, the value of the lease receivable is \$196,397. The lessee is required to make monthly fixed payments of \$3,366. The lease has an interest rate of 0.7030%. The Infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$192,036, and Warner Robins, GA recognized lease revenue of \$44,234 during the fiscal year. The lessee has 1 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement. Warner Robins, GA had a termination period of 6 months as of the lease commencement.

On July 1, 2021, Warner Robins, GA entered into a 60 month lease as Lessor for the use of USC-Sprint. An initial lease receivable was recorded in the amount of \$277,576. As of June 30, 2023, the value of the lease receivable is \$174,070. The lessee is required to make monthly fixed payments of \$4,209. The lease has an interest rate of 0.5770%. The value of the deferred inflow of resources as of June 30, 2023 was \$169,913, and Warner Robins, GA recognized lease revenue of \$55,029 during the fiscal year. The lessee had a termination period of 2 months as of the lease commencement. Warner Robins, GA had a termination period of 6 months as of the lease commencement.

Component Unit – Engage Warner Robins

On July 1, 2021, Warner Robins, GA entered into a 35 month lease as Lessor for the use of 112 South First Street. An initial lease receivable was recorded in the amount of \$89,724. As of June 30, 2023, the value

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

of the lease receivable is \$28,250. The lessee is required to make monthly fixed payments of \$2,575. The lease has an interest rate of 0.3150%. The value of the deferred inflow of resources as of 06/30/2023 was \$28,199, and Warner Robins, GA recognized lease revenue of \$30,763 during the fiscal year.

Financed Purchases

The following is a summary of Financed Purchase Agreements for the Governmental Type Activities:

Current portion	
Golf carts	\$ 37,305
Fire truck	99,347
Total current	<u>136,652</u>
Long-term portion	
Golf carts	1,625
Fire truck	742,897
Total long-term	<u>744,522</u>
Total	<u>\$ 881,174</u>

The following is a summary of Financed Purchase Agreements for the Business-Type Activities:

Current Portion	
MGAG - Distribution line (payable from restricted assets)	\$ -
Long-term portion	
MGAG - Distribution line (payable from restricted assets)	1,625,000
	<u>\$ 1,625,000</u>

Future minimum payments under the financed purchase agreements, along with the present value of the minimum payments as of June 30, 2023, are as follows:

Year Ending June 30th	Governmental Activities	Business-Type Activities
2024	\$ 157,029	\$ 81,250
2025	119,734	81,250
2026	117,980	1,706,250
2027	117,980	-
2028	117,979	-
2029-2031	331,838	-
Total minimum payments	<u>962,540</u>	<u>1,868,750</u>
Less amount representing interest	81,366	243,750
Present value of payments	<u>\$ 881,174</u>	<u>\$ 1,625,000</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Following is an analysis of capital assets under financed purchases at June 30, 2023:

	Governmental Activities	Business-Type Activities
Capital assets	\$ 1,199,221	\$ 4,994,770
Less: Accumulated depreciation	(371,272)	(3,029,260)
Carrying value	<u>\$ 827,949</u>	<u>\$ 1,965,510</u>

Total depreciation expense related to the financed purchases for the year ended June 30, 2023 was \$171,317 and \$103,732 for the Governmental Activities and Business-Type Activities, respectively.

Unearned Revenue

Unearned revenue at June 30, 2023 were comprised of the following balances:

General Fund	
Houston County - Transportation Planning	\$ 15,898
Grants	21,074
Other government	58,435
Keep WR Beautiful	9,228
City of Character Program	197
Total general fund	<u>104,832</u>
American Rescue Plan Fund	<u>12,198,202</u>
Total major funds	<u>12,303,034</u>
Nonmajor Governmental Funds	
Confiscations in advance of verdict	76,912
Other	5,325
Total nonmajor governmental funds	<u>82,237</u>
Total governmental funds	<u>\$ 12,385,271</u>

Fines collected in advance of verdict are deposits of bond fees and fines into a special account under the supervision of the Clerk of the Court. These funds are held in this account until the cases are settled by the judge, at which time the monies due to the City are remitted to the General Fund. Certain donated funds are unearned until expenditures for purposes stipulated by the donor are made. Currently these include donations for Houston County Transportation Planning, Recreational Activities, and the Animal Shelter.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Deferred Inflows/Outflows of Resources

Deferred inflows of resources for governmental funds at June 30, 2023, consisted of unavailable revenue, which is presented in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes of \$603,254, fines of \$361,741 and leases of \$68,278 for a total of \$1,033,273.

Please refer to the pension section of this note for more detail on the deferred inflows/outflows of resources related to the City pension plan reported on the government-wide statements. Please refer to the OPEB section of this note for more detail on the deferred inflows/outflows of resources related to the City OPEB plan reported on the government-wide statements. Please refer to the lease receivable section of this note for more detail on the deferred inflows related to leases reported on the government wide statements.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has self-insurance funds for workman's compensation and health care accounted for in its expendable trust funds. The City has joined the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA established and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

- The City of Warner Robins must participate at all times in at least one fund which is established by GIRMA. Other responsibilities of the City are as follows:
- To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.
- To select a person to serve as a Member representative.
- To allow GIRMA and its agent's reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.
- To allow attorneys appointed by GIRMA 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 Fund or Funds established by GIRMA.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

- To assist and cooperate in the defense and settlement of claims against the City.
- To furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.
- To furnish to GIRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in GIRMA or any Fund established by GIRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the City participates.

The City of Warner Robins retains the first \$10,000 of each risk of loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to \$10,000 deductible.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of property loss, injuries or death on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding or compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs 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.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency of payouts and other economic and social factors. The liability for claims and judgments is not expected to be liquidated with expendable available financial resources.

The City uses its self-insurance health and workers compensation funds to account for and finance its self-insured risk of loss. It maintains excess insurance coverage for health coverage for claims exceeding \$150,000. It maintains excess insurance coverage for workers compensation for claims that exceed \$500,000 for most employees and \$750,000 for policemen, firemen, and street and road workers. The City uses a third party administrator which performs all claims management and loss prevention activities. They project the ultimate claim payment obligation for each year's claim experience and project the new year's probable loss fund cost.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Changes in the balances of claims liability during the last and current fiscal years are as follows:

	General Fund	Internal Service Funds		
	Property and Casualty Insurance	Group Health Insurance	Workers Compensation Insurance	Total
Unpaid claims as of June 30, 2022	\$ 284,199	\$ 1,479,477	\$ -	\$ 1,763,676
Incurred claims	250,588	10,175,742	-	10,426,330
Payments	(284,199)	(9,754,328)	-	(10,038,527)
Unpaid claims as of June 30, 2023	<u>\$ 250,588</u>	<u>\$ 1,900,891</u>	<u>\$ -</u>	<u>\$ 2,151,479</u>

The City participates with the State of Georgia Department of Labor (DOL) for unemployment claims under the reimbursable method in accordance with OCGA Section 34-8-159. The benefits are determined by DOL based on claimant's wages. The City must reimburse the DOL for the actual benefits paid to the employee.

Legal and Contractual Matters, Contractual Matters and Contingent Liabilities

Litigation

During the course of normal operations of the City, various claims and lawsuits arise. A brief summary of these items follows:

The City's insurance companies and self-insurance pool are providing the defense for several lawsuits and legal counsel has advised that the likelihood of an unfavorable outcome on any of them is remote at the present time. The total claims for damages, should they prove successful against the City, are within the appropriate coverage carried at June 30, 2023.

There are other cases pending against the City, unasserted claims and assessments, and numerous "small claims". In the opinion of the City's management, the monetary effect of these matters is not considered material at this time.

Deferred Compensation Plan

The City's Internal Revenue Code Section 457 Plan is a deferred compensation plan and qualifies as defined contribution pension plan. The plan is administered by Nationwide Retirement Solutions and Georgia Municipal Association. Employees may elect to contribute a portion of their pay, not to exceed the IRS guidelines, into the Plan. The City does not match contributions on the deferred compensation plan. Plan provisions and contribution requirements are established and may be amended by the City Council. At June 30, 2023 there were 109 plan members. During the year ending June 30, 2023, employee contributions were \$236,838.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Pension Plan

Plan Description, Contribution Information, and Funding Policies

The City contributes to the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as an investment and administrative agent for cities and municipalities in Georgia. The City has the right to establish and amend the benefit provisions of the plan. These amendments become effective once approved by the Board of Trustees of GMEBS. The plan is a defined benefit plan.

All full-time employees of the City (30 hours per week) were eligible to participate in GMEBS after one (1) year of service through December 31, 2015. Effective January 1, 2016, the plan was amended to provide for immediate participation for employees. Benefits fully vest after ten (10) years of service. Employees who retire at or after age sixty (60) with five (5) years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 percent of the average of their highest five consecutive yearly earnings for each year of credited service. Employees who retire after age 55 with ten (10) years of credited service are entitled to a reduced benefit calculated similarly, but with a reduction factor applied based on their age. The system also provides death and disability benefits. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street-SW, Atlanta, Georgia 30303.

Current City membership in the GMEBS is comprised of the following:

Inactive employees or beneficiaries currently receiving benefits	365
Inactive employees entitled to but not yet receiving benefits	90
Active employees	509
	<u>964</u>

Contributions

The GMEBS board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS board of Trustees has adopted an actuarial funding policy that requires a different funding level than the state estimated minimum annual contribution in an effort to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. If the City contributes the recommended contribution under the GMEBS funding policy, the Plan will meet applicable state funding standards. (O.C.G.A 47-20-10)

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The contribution amount is determined using the actuarial methods and assumptions approved by the GMEBS Board of Trustees. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by City Council. For the year ended June 30, 2023, the City's contribution rate was 13.14% of annual payroll. City contributions to the Plan were \$3,250,142 for the year ended June 30, 2023.

Net Pension Liability

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

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

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

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

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

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 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 target allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.40%
International equity	20%	6.80%
Real estate	10%	3.90%
Global fixed income	5%	46.00%
Domestic fixed income	20%	0.40%
Total	<u>100%</u>	

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 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.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

	Schedule of Changes in Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance September 30, 2021	\$ 147,269,279	\$ 143,860,574	\$ 3,408,705
Changes for the year			
Service cost	1,539,695	-	1,539,695
Interest	10,672,202	-	10,672,202
Difference between expected and actual experience	(264,036)	-	(264,036)
Contributions - City	-	3,979,237	(3,979,237)
Net investment income	-	(23,018,656)	23,018,656
Benefit payments	(8,202,303)	(8,202,303)	-
Administrative expense	-	(148,089)	148,089
Other	-	-	-
Net changes	3,745,558	(27,389,811)	31,135,369
Balance September 30, 2022	\$ 151,014,837	\$ 116,470,763	\$ 34,544,074

The following presents the net pension liability of the City, calculated using the discount rate of 7.375 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.375%) 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	\$ 52,816,050	\$ 34,544,074	\$ 19,291,165

Pension Plan Fiduciary Net Position

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

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

For the year ended June 30, 2023 the City recognized pension expense of \$7,958,467. As of June 30, 2023 the City reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to measurement date	\$ 3,073,678	\$ -
Difference between expected and actual experience	4,540,148	(211,228)
Changes in assumptions	443,508	-
Net difference between projected and actual earnings on pension plan investments	14,806,076	-
Total	<u>\$ 22,863,410</u>	<u>\$ (211,228)</u>

City contributions subsequent to the measurement date of \$3,073,678 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 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 Ended June 30,	Amount
2024	\$ 5,649,762
2025	3,401,264
2026	3,886,848
2027	6,640,630

The required Schedule of Changes in the City's Net Pension Liability and Related Ratios and the Schedule of City Contributions immediately follow the notes to the financial statements.

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

The City's Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The City makes no contribution to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in this plan. This plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia where separate financial statements may be obtained.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan Description. The City's defined benefit OPEB plan, The City of Warner Robins OPEB Plan (the "OPEB Plan"), provides OEPB for all permanent full-time general and public safety employees of the City. The OPEB Plan is a single-employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The City has the authority to establish and amend the OPEB Plan. The City provides medical, and prescription drug coverage to employees that retire on or after age 60 with pension benefit. Coverage stops when the retiree becomes age 65 or eligible for Medicare, whichever comes first. The City pays one-half the active premium for those covered.

Employees Covered by Benefit Terms. At June 30, 2023, the following employees were covered by the benefit terms:

Retired employees or beneficiaries currently receiving benefits	239
Active employees	521
	<u>760</u>

City Contributions. The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a "pay-as-you-go" basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds.

Total OPEB Liability

The City's total OPEB liability of \$44,467,834 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions. The Total OPEB liability was measured as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0 percent
Salary increases	3.0 percent
Discount rate	3.65 percent
Healthcare cost trend rates	6.75 percent for 2023, decreasing 0.25 percent per year to an ultimate rate of 4 percent
Mortality rates	Pub-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to June 30, 2014.

Discount Rate. Since the City funds this Plan on a pay-as-you-go basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chosen rate is 3.65%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2023.

Changes to Total OPEB Liability

	Total OPEB Liability
Balances at June 30, 2022	\$ 43,189,324
Changes for the year	
Service cost	2,731,112
Interest	1,578,723
Changes in assumptions	-
Differences between expected and actual experience	(383,844)
Benefit payments	(2,647,481)
Plan administrative expenses	-
Net changes	1,278,510
Balances at June 30, 2023	\$ 44,467,834

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

	1% Decrease (2.65%)	Discount rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 48,128,000	\$ 44,467,834	\$ 41,212,000

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.75% decrease to 3%) or 1-percentage-point higher (7.75% decrease to 5%) than the current healthcare cost trend rates.

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

	1% Decrease (5.75% decreasing to 3%)	Healthcare Cost Trend Rates (6.75% decreasing to 4%)	1% Increase (7.75% decreasing to 5%)
Total OPEB liability	\$ 40,534,000	\$ 44,467,834	\$ 49,056,000

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$4,350,868. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (3,109,864)
Changes of assumptions	5,483,973	(2,268,125)
Changes in proportion	800,276	(800,276)
Total	<u>\$ 6,284,249</u>	<u>\$ (6,178,265)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$ 41,033
2025	41,033
2026	41,033
2027	85,591
2028	68,144
Thereafter	(170,850)

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 - JOINT VENTURES

MID-STATE ENERGY COMMISSION (MSEC)

The City's Natural Gas System is a 40.16% participant in Mid-State Energy Commission (MSEC). The City appoints one member to its Board. The City's capital account as of December 31, 2022 was \$2,176,245. If the MSEC were to be terminated, the available assets would be distributed pro rata based on contribution. MSEC issues separate financial statements which are available from the MSEC office. Information taken from the audited statements of MSEC for the fiscal year ended December 31, 2022 follows:

Total assets	\$ 20,424,885
Less: current liabilities	(5,812,527)
Long-term liabilities	(9,392,500)
Retained earnings	<u>\$ 5,219,858</u>
Total revenues	\$ 37,612,212
Operating expenses	(36,225,446)
Non-operating expenses	(415,364)
Net income	<u>\$ 971,402</u>

MSEC member cities bill and collect from their respective customers the charges for natural gas usage each month. The operating and maintenance costs including capital improvements costs incurred by MSEC are prorated to each member and are reimbursed to MSEC on a monthly basis by the participating cities. Funds held by MSEC are invested and the earnings are allocated to each members account. MSEC purchases supplies and pays rent, postage, and other administrative costs to the City of Warner Robins.

Employees of MSEC are included in the retirement system and related employee benefits programs. Costs for this participation are also reimbursed to the City of Warner Robins.

As of June 30, 2023, the City has an approximate 40.16% interest in current operations of MSEC. The City's overall equity interest in MSEC is approximately 41.69%. This equity interest is recorded in the City's Natural Gas System Fund's statement of net position.

MIDDLE GEORGIA REGIONAL COMMISSION

As more fully described in Note 1 the City in conjunction with 21 other cities and eleven counties in the Middle Georgia area participate in the Middle Georgia Regional Commission.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WARNER ROBINS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget
REVENUES		
General property taxes	\$ 31,723,689	\$ 27,951,465
Other taxes	10,073,200	9,584,678
Licenses and permits	699,020	659,532
Fines and forfeitures	1,020,000	1,215,000
Intergovernmental	1,058,000	1,046,832
Charges for services	3,254,000	3,225,437
Investment revenue	430,000	-
Other revenues	230,300	69,000
Total revenues	<u>48,488,209</u>	<u>43,751,944</u>
EXPENDITURES		
General government		
Legislative	291,651	303,341
Executive	2,009,810	1,230,893
Elections	59,433	-
General administration	10,907,766	9,813,311
Judicial	1,057,087	1,045,607
Public safety		
Police department	18,627,347	16,838,506
Fire department	13,504,481	12,459,117
Recreation	3,551,452	3,702,297
Public works	7,600,072	7,009,442
City development	3,131,758	3,150,856
Total expenditures	<u>60,740,857</u>	<u>55,553,370</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,252,648)</u>	<u>(11,801,426)</u>
OTHER FINANCING SOURCES (USES)		
Sale of assets	137,689	137,689
Transfers in	5,277,347	5,180,472
Transfers out	-	-
Appropriated fund balance	5,739,088	-
Total other financing sources (uses)	<u>11,154,124</u>	<u>5,318,161</u>
Net change in fund balance	(1,098,524)	(6,483,265)
Fund balance beginning	<u>20,710,822</u>	<u>20,710,822</u>
Fund balance ending	<u>\$ 19,612,298</u>	<u>\$ 14,227,557</u>

Variance Final Budget With Actual Budgetary Basis Differences	Actual Amounts Budgetary Basis	Budgetary Basis to GAAP Differences	Actual Amounts GAAP Basis
\$ 2,113,810	\$ 30,065,275	\$ -	\$ 30,065,275
382,973	9,967,651	-	9,967,651
81,751	741,283	-	741,283
(275,772)	939,228	-	939,228
118,151	1,164,983	-	1,164,983
277,725	3,503,162	-	3,503,162
500,009	500,009	-	500,009
405,962	474,962	-	474,962
<u>3,604,609</u>	<u>47,356,553</u>	<u>-</u>	<u>47,356,553</u>
8,822	294,519	-	294,519
176,820	1,054,073	(24,245)	1,029,828
(244)	244	-	244
293,187	9,520,124	(584,527)	8,935,597
207,438	838,169	-	838,169
1,159,729	15,678,777	(153,064)	15,525,713
1,143,515	11,315,602	(134,134)	11,181,468
624,235	3,078,062	(18,636)	3,059,426
352,202	6,657,240	(114,237)	6,543,003
811,655	2,339,201	(73,126)	2,266,075
<u>4,777,359</u>	<u>50,776,011</u>	<u>(1,101,969)</u>	<u>49,674,042</u>
<u>8,381,968</u>	<u>(3,419,458)</u>	<u>1,101,969</u>	<u>(2,317,489)</u>
23,415	161,104	-	161,104
160,485	5,340,957	-	5,340,957
(1,062,500)	(1,062,500)	-	(1,062,500)
-	-	-	-
<u>(878,600)</u>	<u>4,439,561</u>	<u>-</u>	<u>4,439,561</u>
7,503,368	1,020,103	1,101,969	2,122,072
-	20,710,822	-	20,710,822
<u>\$ 7,503,368</u>	<u>\$ 21,730,925</u>	<u>\$ 1,101,969</u>	<u>\$ 22,832,894</u>

CITY OF WARNER ROBINS, GEORGIA
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The budget was prepared using the modified accrual basis of accounting with encumbrances included as budgetary basis expenditures.

CITY OF WARNER ROBINS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
AMERICAN RESCUE PLAN
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental				
American Rescue Plan Grant	\$ -	\$ 7,513,248	\$ 1,250,539	\$(6,262,709)
Miscellaneous	200,000	-	255,558	255,558
Total revenues	<u>200,000</u>	<u>7,513,248</u>	<u>1,506,097</u>	<u>(6,007,151)</u>
EXPENDITURES				
Current				
Public safety	1,884,747	2,687,500	404,438	2,283,062
Capital outlay	4,589,402	-	846,102	(846,102)
Total expenditures	<u>6,474,149</u>	<u>2,687,500</u>	<u>1,250,540</u>	<u>1,436,960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$(6,274,149)</u>	<u>\$ 4,825,748</u>	255,557	<u>\$(4,570,191)</u>
FUND BALANCE, beginning			-	
FUND BALANCE, ending			<u>\$ 255,557</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	\$ 1,539,695	\$ 1,456,584	\$ 1,340,521	\$ 1,210,188	\$ 1,257,080	\$ 1,293,624	\$ 1,289,597	\$ 1,360,714	\$ 1,312,396	
Interest	10,672,202	9,926,153	9,614,858	9,035,294	8,376,185	8,351,270	8,024,157	7,631,089	7,595,446	
Differences between expected and actual experience	(264,036)	6,237,233	41,952	3,905,853	4,576,300	357,600	61,825	885,280	758,020	
Changes of assumptions	-	-	-	2,217,538	-	(2,420,892)	-	-	(4,693,345)	(Historical information prior to implementation of GASB 67/68 is not required)
Changes of benefit terms	-	-	-	-	728,182	670,988	-	489	-	
Benefit payments, including refunds of employee contributions	(8,202,303)	(6,972,034)	(6,812,117)	(6,385,554)	(5,819,940)	(5,351,106)	(4,958,418)	(4,653,041)	(4,372,157)	
Net change in total pension liability	3,745,558	10,647,936	4,184,854	9,983,319	9,117,807	2,901,484	4,417,161	5,224,531	600,360	
Total pension liability-beginning	147,269,279	136,621,343	132,436,489	122,453,170	113,335,363	110,433,879	106,016,718	100,792,187	100,191,827	
Total pension liability-ending (a)	\$151,014,837	\$147,269,279	\$136,621,343	\$132,436,489	\$122,453,170	\$113,335,363	\$110,433,879	\$106,016,718	\$100,792,187	
Plan fiduciary net position										
Contributions-employer	\$ 3,979,237	\$ 3,161,412	\$ 2,957,359	\$ 2,445,454	\$ 2,400,645	\$ 2,351,392	\$ 2,221,849	\$ 2,547,094	\$ 2,639,536	
Contributions-employee	-	-	-	-	-	-	-	-	-	
Net investment income	(23,018,656)	28,648,856	10,622,856	3,233,494	10,445,566	14,161,578	9,758,065	1,093,965	9,335,936	(Historical information prior to implementation of GASB 67/68 is not required)
Benefit payments, including refunds of employee contributions	(8,202,303)	(6,972,034)	(6,812,117)	(6,385,554)	(5,819,940)	(5,351,106)	(4,958,418)	(4,653,041)	(4,372,157)	
Administrative expense	(148,089)	(144,488)	(164,975)	(135,231)	(141,004)	(149,967)	(89,047)	(98,976)	(75,992)	
Other	-	-	-	-	-	-	-	-	-	
Net change in plan fiduciary net position	(27,389,811)	24,693,746	6,603,123	(841,837)	6,885,267	11,011,897	6,932,449	(1,110,958)	7,527,323	
Plan fiduciary net position-beginning	143,860,574	119,166,828	112,563,705	113,405,542	106,520,275	95,508,378	88,575,929	89,686,887	82,159,564	
Plan fiduciary net position-ending (b)	\$116,470,763	\$143,860,574	\$119,166,828	\$112,563,705	\$113,405,542	\$106,520,275	\$ 95,508,378	\$ 88,575,929	\$ 89,686,887	
City's net pension liability-ending (a) - (b)	\$ 34,544,074	\$ 3,408,705	\$ 17,454,515	\$ 19,872,784	\$ 9,047,628	\$ 6,815,088	\$ 14,925,501	\$ 17,440,789	\$ 11,105,300	
Plan fiduciary net position as a percentage of the total pension liability	77.13%	97.69%	87.22%	84.99%	92.61%	93.99%	86.48%	83.55%	88.98%	(Historical information prior to implementation of GASB 67/68 is not required)
Covered payroll	\$ 22,733,477	\$ 24,736,227	\$ 23,485,402	\$ 22,461,510	\$ 21,590,245	\$ 21,133,852	\$ 20,662,283	\$ 20,434,256	\$ 19,589,572	
City's net pension liability as a percentage of covered payroll	151.95%	13.78%	74.32%	88.47%	41.91%	32.25%	72.24%	85.35%	56.69%	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 3,545,613	\$ 3,427,306	\$ 2,800,710	\$ 2,327,035	\$ 2,247,439	\$ 2,420,115	\$ 2,328,484	\$ 2,186,304	\$ 2,667,357	(Historical information prior to implementation of GASB 67/68 is not required)
Contributions in relation to the actuarially determined contribution	3,250,142	3,427,306	2,800,710	2,327,035	2,247,439	2,420,115	2,328,484	2,186,304	2,667,357	
Contribution deficiency (excess)	\$ 295,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered payroll	\$ 24,736,227	\$ 23,485,402	\$ 22,461,510	\$ 21,590,245	\$ 21,399,021	\$ 20,775,749	\$ 21,695,122	\$ 21,237,792	\$ 20,973,869	
Contributions as a percentage of covered payroll	13.14%	14.59%	12.47%	10.78%	10.50%	11.65%	10.73%	10.29%	12.72%	
* Based on City's fiscal year										
Notes to Schedule										
Valuation Date:										
The Actuarially determined contribution rate was determined as of January 1, 2023, with an interest adjustment to the fiscal year.										
Methods and assumptions used to determine contribution rates:										
Actuarial cost method	Projected Unit Credit									
Amortization method	Closed level dollar for remaining unfunded liability									
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 13 years									
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.									
Inflation	2.25%									
Salary increases	2.25% plus service based merit increases									
Investment rate of return	7.375% net pension plan investment expense, including inflation									
Retirement age	65									
Mortality	The mortality and economic actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019.									
Other Information:										
Changes of assumptions										
There have been no changes in methods or assumptions since the last valuation										

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OPEB liability										
Service cost	\$ 2,731,112	\$ 3,060,853	\$ 2,970,267	\$ 1,950,714	\$ 1,769,587	\$ 1,703,655				
Interest	1,578,723	1,008,758	989,094	1,340,237	1,386,700	1,365,912				
Differences between expected and actual experience	-	(1,481,609)	-	(2,772,536)	-	-	(Historical information prior to implementation of GASB 74/75 is not required)			
Changes of assumptions	(383,844)	(1,973,528)	183,331	7,093,046	1,061,996	(810,440)				
Changes of benefit terms	-	-	-	-	-	-				
Benefit payments, including refunds of employee contributions	(2,647,481)	(2,132,127)	(2,441,670)	(1,894,554)	(1,983,370)	(1,592,209)				
Net change in total OPEB liability	<u>1,278,510</u>	<u>(1,517,653)</u>	<u>1,701,022</u>	<u>5,716,907</u>	<u>2,234,913</u>	<u>666,918</u>				
Total OPEB liability-beginning	<u>43,189,324</u>	<u>44,706,977</u>	<u>43,005,955</u>	<u>37,289,048</u>	<u>35,054,135</u>	<u>34,387,217</u>				
Total OPEB liability-ending	<u>\$ 44,467,834</u>	<u>\$ 43,189,324</u>	<u>\$ 44,706,977</u>	<u>\$ 43,005,955</u>	<u>\$ 37,289,048</u>	<u>\$ 35,054,135</u>				
Covered employee payroll	\$ 19,399,000	\$ 18,834,176	\$ 23,884,000	\$ 23,076,391	\$ 21,399,021	\$ 20,775,749				
City's OPEB liability as a percentage of covered employee payroll	229.23%	229.31%	187.18%	186.36%	174.26%	168.73%	(Historical information prior to implementation of GASB 74/75 is not required)			

Notes to Schedule

The City is not accumulated assets in a trust fund that meets the criteria in GASB codification P52.101 to pay related benefits for the OPEB plan.

OTHER SUPPLEMENTARY INFORMATION

CITY OF WARNER ROBINS, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds								
	Hotel - Motel		Motor Vehicle Rental Tax	Community Development	Law Enforcement	Recreation	Tax Allocation District	Municipal Court Technology	Subtotal
	Bureau of Civic Affairs	Tourism Allocation Board							
ASSETS									
Cash and cash equivalents	\$ 1,305,224	\$ 78,000	\$ -	\$ 402,655	\$ 1,205,513	\$ 75,304	\$ 9,125	\$ 21,878	\$ 3,097,699
Accounts receivable									
net of uncollectible accounts	-	-	-	178,058	-	-	-	-	178,058
Due from other governments	-	-	-	321,263	-	-	-	-	321,263
Real estate held for investment	-	-	-	51,750	-	-	-	-	51,750
Prepaid items	-	-	-	-	-	1,130	-	-	1,130
Total assets	<u>\$ 1,305,224</u>	<u>\$ 78,000</u>	<u>\$ -</u>	<u>\$ 953,726</u>	<u>\$ 1,205,513</u>	<u>\$ 76,434</u>	<u>\$ 9,125</u>	<u>\$ 21,878</u>	<u>\$ 3,649,900</u>
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable and accrued costs	\$ 43,829	\$ 78,000	\$ -	\$ 12,601	\$ 26,386	\$ 5,153	\$ -	\$ -	\$ 165,969
Accrued payroll/related expenses	3,820	-	-	-	-	-	-	-	3,820
Unearned revenue	5,000	-	-	-	76,912	325	-	-	82,237
Escrow funds	-	-	-	5,618	-	-	-	-	5,618
Total liabilities	<u>52,649</u>	<u>78,000</u>	<u>-</u>	<u>18,219</u>	<u>103,298</u>	<u>5,478</u>	<u>-</u>	<u>-</u>	<u>257,644</u>
FUND BALANCES									
Nonspendable - prepaid items	-	-	-	-	-	1,130	-	-	1,130
Restricted - capital projects	-	-	-	-	-	-	-	-	-
Restricted - economic development	-	-	-	935,507	-	-	-	-	935,507
Restricted - special programs	1,252,575	-	-	-	1,102,215	69,826	9,125	21,878	2,455,619
Total fund balance	<u>1,252,575</u>	<u>-</u>	<u>-</u>	<u>935,507</u>	<u>1,102,215</u>	<u>70,956</u>	<u>9,125</u>	<u>21,878</u>	<u>3,392,256</u>
Total liabilities and fund balances	<u>\$ 1,305,224</u>	<u>\$ 78,000</u>	<u>\$ -</u>	<u>\$ 953,726</u>	<u>\$ 1,205,513</u>	<u>\$ 76,434</u>	<u>\$ 9,125</u>	<u>\$ 21,878</u>	<u>\$ 3,649,900</u>

Capital Projects Funds						Total Nonmajor Government Funds
SPLOST 2006	SPLOST 2012	Parks and Recreation	Visitor Center	Subtotal		
\$ 1,579	\$ 5,202,274	\$ 410,814	\$1,561,587	\$ 7,176,254		\$10,273,953
-	-	-	-	-		178,058
-	-	-	-	-		321,263
-	-	-	-	-		51,750
-	-	-	-	-		1,130
<u>\$ 1,579</u>	<u>\$ 5,202,274</u>	<u>\$ 410,814</u>	<u>\$1,561,587</u>	<u>\$ 7,176,254</u>		<u>\$10,826,154</u>
\$ -	\$ 55,464	\$ -	\$ -	\$ 55,464		\$ 221,433
-	-	-	-	-		3,820
-	-	-	-	-		82,237
-	-	-	-	-		5,618
<u>-</u>	<u>55,464</u>	<u>-</u>	<u>-</u>	<u>55,464</u>		<u>313,108</u>
-	-	-	-	-		1,130
1,579	5,146,810	410,814	1,561,587	7,120,790		7,120,790
-	-	-	-	-		935,507
-	-	-	-	-		2,455,619
<u>1,579</u>	<u>5,146,810</u>	<u>410,814</u>	<u>1,561,587</u>	<u>7,120,790</u>		<u>10,513,046</u>
<u>\$ 1,579</u>	<u>\$ 5,202,274</u>	<u>\$ 410,814</u>	<u>\$1,561,587</u>	<u>\$ 7,176,254</u>		<u>\$10,826,154</u>

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

	Special Revenue Funds								
	Hotel - Motel								
	Bureau of Civic Affairs	Tourism Allocation Board	Motor Vehicle Rental Tax	Community Development	Law Enforcement	Recreation	Tax Allocation District	Municipal Court Technology	Subtotal
REVENUES									
Other taxes	\$ -	\$ 2,953,069	\$201,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,154,970
Fines and forfeitures	-	-	-	-	223,783	-	-	-	223,783
Intergovernmental	33,375	-	-	319,248	-	-	-	-	352,623
Contributions	-	-	-	-	20,850	-	-	-	20,850
Other revenue	47,200	-	-	2,130	54,709	118,862	-	22,018	244,919
Total revenues	80,575	2,953,069	201,901	321,378	299,342	118,862	-	22,018	3,997,145
EXPENDITURES									
Current									
Public safety	-	-	-	-	459,999	-	-	140	460,139
Recreation	-	-	-	-	-	125,852	-	-	125,852
Civic affairs (city development)	677,239	922,834	-	-	-	-	-	-	1,600,073
Economic development (city development)	-	-	-	300,949	-	-	-	-	300,949
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	677,239	922,834	-	300,949	459,999	125,852	-	140	2,487,013
Excess (deficiency) of revenues over (under) expenditures	(596,664)	2,030,235	201,901	20,429	(160,657)	(6,990)	-	21,878	1,510,132
OTHER FINANCING SOURCES (USES)									
Transfer in	738,267	-	-	-	-	-	-	-	738,267
Transfer out	-	(2,030,235)	(201,901)	-	-	-	-	-	(2,232,136)
Total other financing sources (uses)	738,267	(2,030,235)	(201,901)	-	-	-	-	-	(1,493,869)
Net change in fund balances	141,603	-	-	20,429	(160,657)	(6,990)	-	21,878	16,263
FUND BALANCES, beginning	1,110,972	-	-	915,078	1,262,872	77,946	9,125	-	3,375,993
FUND BALANCES, ending	\$ 1,252,575	\$ -	\$ -	\$ 935,507	\$ 1,102,215	\$ 70,956	\$ 9,125	\$ 21,878	\$ 3,392,256

Capital Projects Funds						Total Nonmajor Government Funds
SPLOST 2006	SPLOST 2012	Parks and Recreation	Visitor Center	Subtotal		
\$ -	\$ -	\$ -	\$ -	\$ -	\$	3,154,970
-	-	-	-	-		223,783
-	-	-	-	-		352,623
-	-	-	-	-		20,850
842	194,738	1,804	53,817	251,201		496,120
842	194,738	1,804	53,817	251,201		4,248,346
-	-	-	-	-		460,139
-	-	-	-	-		125,852
-	-	-	-	-		1,600,073
-	-	-	-	-		300,949
-	548,764	24,079	-	572,843		572,843
-	548,764	24,079	-	572,843		3,059,856
842	(354,026)	(22,275)	53,817	(321,642)		1,188,490
-	-	369,134	-	369,134		1,107,401
-	-	(260,900)	-	(260,900)		(2,493,036)
-	-	108,234	-	108,234		(1,385,635)
842	(354,026)	85,959	53,817	(213,408)		(197,145)
737	5,500,836	324,855	1,507,770	7,334,198		10,710,191
\$ 1,579	\$ 5,146,810	\$ 410,814	\$ 1,561,587	\$ 7,120,790	\$	10,513,046

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUREAU OF CIVIC AFFAIRS
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 1,500	\$ 42,576	\$ 33,375	\$ (9,201)
Interest	40,000	1,000	47,200	46,200
Total revenues	<u>41,500</u>	<u>43,576</u>	<u>80,575</u>	<u>36,999</u>
EXPENDITURES				
Current				
Civic affairs	<u>699,809</u>	<u>893,531</u>	<u>677,239</u>	<u>216,292</u>
Excess (deficiency) of revenues over (under) expenditures	(658,309)	(849,955)	(596,664)	253,291
OTHER FINANCING SOURCES				
Transfer in	<u>702,500</u>	<u>625,000</u>	<u>738,267</u>	<u>113,267</u>
Net change in fund balance	<u>\$ 44,191</u>	<u>\$ (224,955)</u>	141,603	<u>\$ 366,558</u>
FUND BALANCE, beginning			<u>1,110,972</u>	
FUND BALANCE, ending			<u>\$ 1,252,575</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HOTEL – MOTEL TOURISM ALLOCATION BOARD FUND (TAB)
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Other taxes				
Hotel/Motel tax	\$2,810,000	\$2,500,000	\$ 2,953,069	\$ 453,069
EXPENDITURES				
Current				
Civic affairs	<u>878,125</u>	<u>781,250</u>	<u>922,834</u>	<u>(141,584)</u>
Excess of revenues over expenditures	1,931,875	1,718,750	2,030,235	311,485
OTHER FINANCING USES				
Transfer out	<u>(1,931,875)</u>	<u>(1,718,750)</u>	<u>(2,030,235)</u>	<u>(311,485)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCE, beginning			-	
FUND BALANCE, ending			<u>\$ -</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOTOR VEHICLE RENTAL TAX FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Other taxes				
Motor vehicle rental tax	\$ 183,000	\$ 183,000	\$ 201,901	\$ 18,901
EXPENDITURES				
Current				
Economic development	-	-	-	-
Excess of revenues over expenditures	183,000	183,000	201,901	18,901
OTHER FINANCING USES				
Transfer out	(183,000)	(183,000)	(201,901)	(18,901)
Net change in fund balance	\$ -	\$ -	-	\$ -
FUND BALANCE, beginning			-	
FUND BALANCE, ending			\$ -	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental				
Grants - federal - CDBG	\$ 586,895	\$1,126,815	\$ 319,248	\$ (807,567)
Other revenue				
Program income	100	750	2,130	1,380
Total revenues	<u>586,995</u>	<u>1,127,565</u>	<u>321,378</u>	<u>(806,187)</u>
EXPENDITURES				
Economic development				
Administration	104,000	125,800	100,719	25,081
Housing	372,650	528,488	149,171	379,317
Public services	-	37,734	51,059	(13,325)
Public facility	43,350	135,800	-	135,800
Total expenditures	<u>520,000</u>	<u>827,822</u>	<u>300,949</u>	<u>526,873</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 66,995</u>	<u>\$ 299,743</u>	20,429	<u>\$ (279,314)</u>
FUND BALANCE, beginning			<u>915,078</u>	
FUND BALANCE, ending			<u>\$ 935,507</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LAW ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures				
Condemnation	\$ 162,000	\$ 490,506	\$ 223,783	\$ (266,723)
Contributions	-	-	20,850	20,850
Miscellaneous	60,000	1,800	54,709	52,909
Total revenues	<u>222,000</u>	<u>492,306</u>	<u>299,342</u>	<u>(192,964)</u>
EXPENDITURES				
Current				
Public safety	<u>350,000</u>	<u>526,725</u>	<u>459,999</u>	<u>66,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (128,000)</u>	<u>\$ (34,419)</u>	<u>(160,657)</u>	<u>\$ (126,238)</u>
FUND BALANCE, beginning			<u>1,262,872</u>	
FUND BALANCE, ending			<u>\$ 1,102,215</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
RECREATION
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Other revenue				
Recreation fee	\$ 106,000	\$ 84,957	\$ 118,862	\$ 33,905
EXPENDITURES				
Current				
Recreation	<u>76,800</u>	<u>151,929</u>	<u>125,852</u>	<u>26,077</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 29,200</u>	<u>\$ (66,972)</u>	(6,990)	<u>\$ 59,982</u>
FUND BALANCE, beginning			<u>77,946</u>	
FUND BALANCE, ending			<u>\$ 70,956</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TAX ALLOCATION DISTRICT
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
Current				
Economic development	\$ -	\$ 19,000	\$ -	\$ 19,000
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (19,000)</u>	-	<u>\$ 19,000</u>
FUND BALANCE, beginning			9,125	
FUND BALANCE, ending			<u>\$ 9,125</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL COURT TECHNOLOGY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Other revenue				
Technology fee	\$ -	\$ 1,500	\$ 22,018	\$ 20,518
EXPENDITURES				
Current				
Public safety	-	-	140	\$ (140)
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 1,500</u>	21,878	<u>\$ 20,378</u>
OTHER FINANCING SOURCES				
Transfer in	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,500</u>	21,878	<u>\$ 20,378</u>
FUND BALANCE, beginning			-	
FUND BALANCE, ending			<u>\$ 21,878</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPLOST 2006 CAPITAL PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023

	Prior Years	Current Year	Total to Date	Revised Projected Costs
REVENUES				
Other revenue				
Special purpose local option sales tax	\$15,208,866	\$ -	\$ 15,208,866	\$15,208,866
Interest	158,920	842	159,762	115,781
Total revenues	<u>15,367,786</u>	<u>842</u>	<u>15,368,628</u>	<u>15,324,647</u>
EXPENDITURES				
Capital outlay				
Public safety	6,115,857	-	6,115,857	6,150,000
Water and sewer system	4,000,403	-	4,000,403	4,000,000
Road, street and sidewalk	5,260,750	-	5,260,750	5,515,000
Total expenditures	<u>15,377,010</u>	<u>-</u>	<u>15,377,010</u>	<u>15,665,000</u>
Excess (deficiency) of revenues over (under)				
expenditures	(9,224)	842	(8,382)	(340,353)
OTHER FINANCING USES				
Transfer out	<u>(854,754)</u>	<u>-</u>	<u>(854,754)</u>	<u>-</u>
Net change in fund balance	<u>\$ (863,978)</u>	<u>842</u>	<u>\$ (863,136)</u>	<u>\$ (340,353)</u>
FUND BALANCE, beginning		737		
FUND BALANCE, ending		<u>\$ 1,579</u>		

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPLOST 2012 CAPITAL PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Revised Projected Costs</u>
REVENUES				
Other revenue				
Special purpose local option sales tax	\$ 38,136,826	\$ -	\$ 38,136,826	\$ 44,421,000
Interest	588,049	194,738	782,787	-
Total revenues	<u>38,724,875</u>	<u>194,738</u>	<u>38,919,613</u>	<u>44,421,000</u>
EXPENDITURES				
Capital outlay				
Road, street and sidewalk	4,330,654	1,495	4,332,149	8,363,787
Public safety	8,564,288	54,583	8,618,871	8,613,760
Water and sewer system	5,545,621	154,669	5,700,290	5,676,000
General government	7,821,357	1,379	7,822,736	8,101,200
City development	1,212,814	310,448	1,523,262	1,121,376
Recreation facilities	6,140,338	26,190	6,166,528	7,145,100
Debt service				
Principal retirement	1,841,500	-	1,841,500	1,841,500
Interest and fiscal charges	64,077	-	64,077	64,077
Total expenditures	<u>35,520,649</u>	<u>548,764</u>	<u>36,069,413</u>	<u>40,926,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,204,226</u>	<u>(354,026)</u>	<u>2,850,200</u>	<u>3,494,200</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from leases	1,841,500	-	1,841,500	1,841,500
Transfers in	450,000	-	450,000	450,000
Transfer out	(450,000)	-	(450,000)	(450,000)
Total other financing sources (uses)	<u>1,841,500</u>	<u>-</u>	<u>1,841,500</u>	<u>1,841,500</u>
Net change in fund balance	<u>\$ 5,045,726</u>	<u>(354,026)</u>	<u>\$ 4,691,700</u>	<u>\$ 5,335,700</u>
FUND BALANCE, Beginning		5,500,836		
FUND BALANCE, Ending		<u>\$5,146,810</u>		

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS AND RECREATION CAPITAL PROJECT
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Other revenue				
Interest	<u>\$ 2,500</u>	<u>\$ 50</u>	<u>\$ 1,804</u>	<u>\$ 1,754</u>
EXPENDITURES				
Current				
Capital outlay				
Buildings/improvements	10,000	10,000	(1)	10,001
Swimming pool equipment	15,500	90,500	24,080	66,420
Playground equipment	5,000	5,000	-	5,000
Sports complex	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Total expenditures	<u>90,500</u>	<u>165,500</u>	<u>24,079</u>	<u>141,421</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(88,000)</u>	<u>(165,450)</u>	<u>(22,275)</u>	<u>143,175</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	351,250	312,500	369,134	56,634
Transfer out	<u>-</u>	<u>-</u>	<u>(260,900)</u>	<u>(260,900)</u>
Total other financing sources (uses)	<u>351,250</u>	<u>312,500</u>	<u>108,234</u>	<u>(204,266)</u>
Net change in fund balance	<u>\$ 263,250</u>	<u>\$ 147,050</u>	85,959	<u>\$ (61,091)</u>
FUND BALANCE, beginning			<u>324,855</u>	
FUND BALANCE, ending			<u>\$ 410,814</u>	

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
VISITOR CENTER CAPITAL PROJECT
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Interest	\$ 50,000	\$ 1,500	\$ 53,817	\$ 52,317
EXPENDITURES				
Capital outlay				
Building/improvements	1,527,109	1,541,709	-	1,541,709
Excess (deficiency) of revenues over (under) expenditures	<u>\$(1,477,109)</u>	<u>\$(1,540,209)</u>	53,817	<u>\$ 1,594,026</u>
FUND BALANCE, beginning			1,507,770	
FUND BALANCE, ending			<u>\$1,561,587</u>	

CITY OF WARNER ROBINS, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023

<u>ASSETS</u>			
	Workers	Group	
	Compensation	Health	
CURRENT ASSETS		Insurance	Total
Cash	\$ 1,282,402	\$ 1,108,812	\$ 2,391,214
Receivables, net	3,805	56,250	60,055
Prepaid items	99,111	-	99,111
Total assets	<u>1,385,318</u>	<u>1,165,062</u>	<u>2,550,380</u>
 <u>LIABILITIES AND NET POSITION</u>			
CURRENT LIABILITIES			
Accounts payable	-	1,900,891	1,900,891
Total liabilities	<u>-</u>	<u>1,900,891</u>	<u>1,900,891</u>
 NET POSITION			
Unrestricted	1,385,318	(735,829)	649,489
Total net position	<u>\$ 1,385,318</u>	<u>\$ (735,829)</u>	<u>\$ 649,489</u>

CITY OF WARNER ROBINS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Workers Compensation</u>	<u>Group Health Insurance</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 889,917	\$ 11,732,241	\$ 12,622,158
OPERATING EXPENSES			
Operating expenses	<u>862,536</u>	<u>11,508,753</u>	<u>12,371,289</u>
OPERATING INCOME	27,381	223,488	250,869
NON-OPERATING REVENUES			
Interest earned	<u>23,683</u>	<u>84,833</u>	<u>108,516</u>
CHANGE IN NET POSITION	51,064	308,321	359,385
NET POSITION, beginning	<u>1,334,254</u>	<u>(1,044,150)</u>	<u>290,104</u>
NET POSITION, ending	<u><u>\$ 1,385,318</u></u>	<u><u>\$ (735,829)</u></u>	<u><u>\$ 649,489</u></u>

CITY OF WARNER ROBINS, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Workers Compensation	Group Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ -	\$ 788,305	\$ 788,305
Cash paid to suppliers for goods and services	(860,275)	(11,381,921)	(12,242,196)
Cash received from other funds for goods and services	889,917	10,887,686	11,777,603
Cash received for claims reimbursements	-	294,582	294,582
Net cash provided by operating activities	<u>29,642</u>	<u>588,652</u>	<u>618,294</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income on investments	<u>23,683</u>	<u>84,833</u>	<u>108,516</u>
Net cash provided by investing activities	<u>23,683</u>	<u>84,833</u>	<u>108,516</u>
NET INCREASE IN CASH	53,325	673,485	726,810
Cash and cash equivalents, beginning	<u>1,229,077</u>	<u>435,327</u>	<u>1,664,404</u>
Cash and cash equivalents, ending	<u><u>\$ 1,282,402</u></u>	<u><u>\$ 1,108,812</u></u>	<u><u>\$ 2,391,214</u></u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</u>			
<u>CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>			
Operating income	<u>\$ 27,381</u>	<u>\$ 223,488</u>	<u>\$ 250,869</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Decrease (increase) in assets			
Accounts receivable	-	(56,250)	(56,250)
Prepaid items	2,261	-	2,261
Increase (decrease) in liabilities			
Accounts payable	-	421,414	421,414
Total adjustments	<u>2,261</u>	<u>365,164</u>	<u>367,425</u>
Net cash provided (used) by operating activities	<u><u>\$ 29,642</u></u>	<u><u>\$ 588,652</u></u>	<u><u>\$ 618,294</u></u>

CITY OF WARNER ROBINS, GEORGIA
WATER AND SEWER SYSTEM
SCHEDULE OF BONDS PAYABLE WITH INTEREST
WATER AND SEWER REVENUE BONDS
JUNE 30, 2023

SERIES 2020

<u>YEAR OF MATURITY</u>	<u>BONDS OUTSTANDING</u>	<u>INTEREST RATE</u>	<u>INTEREST</u>
2024	\$ 590,000	5.00%	\$ 858,450
2025	620,000	5.00%	828,200
2026	650,000	5.00%	796,450
2027	685,000	5.00%	763,075
2028	720,000	5.00%	727,950
2029	755,000	5.00%	691,075
2030	745,000	5.00%	653,575
2031	505,000	5.00%	622,325
2032	530,000	5.00%	596,450
2033	555,000	5.00%	569,325
2034	585,000	3.00%	540,825
2035	610,000	3.00%	517,050
2036	625,000	4.00%	498,525
2037	650,000	4.00%	476,150
2038	675,000	3.00%	449,650
2039	700,000	3.00%	425,650
2040	720,000	3.00%	404,350
2041	745,000	4.00%	382,375
2042	770,000	4.00%	355,800
2043	800,000	4.00%	324,400
2044	835,000	4.00%	291,700
2045	865,000	4.00%	257,700
2046	905,000	4.00%	222,300
2047	940,000	4.00%	185,400
2048	980,000	4.00%	147,000
2049	1,020,000	4.00%	107,000
2050	1,060,000	4.00%	65,400
2051	1,105,000	4.00%	22,100
	<u>\$ 20,945,000</u>		<u>\$ 12,780,250</u>

SERIES 2022

<u>YEAR OF MATURITY</u>	<u>BONDS OUTSTANDING</u>	<u>INTEREST RATE</u>	<u>INTEREST</u>
2024	\$ 1,580,000	1.85%	\$ 345,380
2025	1,610,000	1.90%	315,470
2026	1,640,000	1.95%	284,185
2027	1,670,000	2.00%	251,495
2028	1,705,000	2.05%	217,319
2029	1,740,000	2.10%	181,573
2030	1,775,000	2.15%	144,221
2031	1,815,000	2.20%	105,175
2032	1,850,000	2.25%	64,398
2033	1,895,000	2.30%	32,793
	<u>\$ 17,280,000</u>	4.00%	<u>\$ 1,942,009</u>

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF STATE REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE OF STATE AWARDS EXPENDED

<u>State Program Name</u>		<u>Contract Number</u>	<u>Revenue Received</u>	<u>Expenditure</u>	<u>Amount Due From State</u>
Ga Dept. of Transportation					
WRATS	(1)	PI-0019311-PL	\$ 38,536	\$ 76,373	\$ 37,837
LMIG	(1)	PI S014582	840,647	-	-
Total Dept. of Transportation			<u>879,183</u>	<u>76,373</u>	<u>37,837</u>
Ga Dept. of Community Affairs					
HOME investment Partnership Program		M17SG130100	-	66,375	66,375
Total state and pass through grant			<u>\$ 879,183</u>	<u>\$ 142,748</u>	<u>\$ 104,212</u>
(1) includes Federal pass through					

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF STATE REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX

<u>PROJECTS</u>	Original		EXPENDITURES			
	<u>Estimated Cost</u>	<u>Revised Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Reclassification</u>	<u>Total</u>
2018 Referendum						
Capital outlay						
Transportation	\$ 4,282,000	\$ 4,282,000	\$ 1,296,212	\$ 590,451	\$ -	\$ 1,886,663
Public safety	7,280,000	7,280,000	2,817,738	1,122,706	-	3,940,444
Recreation	15,600,000	15,600,000	14,960,640	228,318	-	15,188,958
General government	4,487,000	4,487,000	3,096,169	592,326	-	3,688,495
Water and sewer	3,721,122	3,721,122	708,126	1,054,574	-	1,762,700
Economic development	2,000,000	2,000,000	355,251	534,579	-	889,830
	<u>\$ 37,370,122</u>	<u>\$ 37,370,122</u>	<u>\$ 23,234,136</u>	<u>\$ 4,122,954</u>	<u>\$ -</u>	<u>\$ 27,357,090</u>
Debt service						
Principal	\$ -	\$ -	\$ 7,310,000	\$ 2,860,000	\$ -	\$ 10,170,000
Interest	-	-	2,138,229	365,500	-	2,503,729
Cost of issuance	-	-	250,021	-	-	250,021
Total debt service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,698,250</u>	<u>\$ 3,225,500</u>	<u>\$ -</u>	<u>\$ 12,923,750</u>

<u>PROJECTS</u>	Original		EXPENDITURES			
	<u>Estimated Cost</u>	<u>Revised Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Reclassification</u>	<u>Total</u>
2012 Referendum						
Capital outlay						
Road, street and sidewalk	\$ 8,100,000	\$ 8,100,000	\$ 4,330,654	\$ 1,495	\$ -	\$ 4,332,149
Public safety	10,016,000	10,016,000	8,564,288	54,583	-	8,618,871
Water and sewer system	6,600,000	6,600,000	5,545,621	154,669	-	5,700,290
General government	9,420,000	9,420,000	7,821,357	1,379	-	7,822,736
City development	2,500,000	2,500,000	1,212,814	310,448	-	1,523,262
Recreation facilities	7,785,000	7,785,000	6,140,338	26,190	-	6,166,528
	<u>\$ 44,421,000</u>	<u>\$ 44,421,000</u>	<u>\$ 33,615,072</u>	<u>\$ 548,764</u>	<u>\$ -</u>	<u>\$ 34,163,836</u>

<u>PROJECTS</u>	Original		EXPENDITURES			
	<u>Estimated Cost</u>	<u>Revised Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Reclassification</u>	<u>Total</u>
2006 Referendum						
capital outlay						
Public safety facilities	\$ 6,000,000	\$ 6,150,000	\$ 6,115,857	\$ -	\$ -	\$ 6,115,857
Water and sewer system	4,000,000	4,000,000	4,000,403	-	-	4,000,403
Road, street and sidewalk	5,515,000	5,515,000	5,260,750	-	-	5,260,750
	<u>\$ 15,515,000</u>	<u>\$ 15,665,000</u>	<u>\$ 15,377,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,377,010</u>

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF STATE REQUIREMENTS
FOR THE YEAR ENDED JUNE 30, 2023

SCHEDULE OF HOTEL/MOTEL TAX REPORT

		8%
Amount of tax collected	\$ 2,953,069	100.00%
Amount expended to promote tourism (General Fund)	\$ 922,834	31.25%
Amount expended to support the Museum of Aviation	\$ 922,834	31.25%
Amount expended for city promotion (Bureau of Civic Affairs)	\$ 738,267	25.00%
Amount expended for recreation capital project (Sports Complex)	\$ 184,567	6.25%
Amount expended for recreation capital project (Parks and Recreation)	\$ 184,567	6.25%

SCHEDULE OF VEHICLE RENTAL TAX REPORT

		3%
Amount of tax collected	\$ 201,901	100.00%
Amount expended to promote commerce and economic development	\$ 201,901	100.00%

COMPLIANCE SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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

To the Mayor and City Council
City of Warner Robins, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Warner Robins, Georgia (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 29, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Richels, Cauley + Associates, LLC

Warner Robins, Georgia
December 29, 2023



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Mayor and City Council
of the City of Warner Robins, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Warner Robins, 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 June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 GAAS, *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 GAAS, *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 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.

Nichols, Cauley + Associates, LLC

Warner Robins, Georgia
December 29, 2023

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Federal Program Expenditures</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Direct Grants				
Community Development Block Grant Entitlement Grant	14.218		\$ 137,936	\$ 269,608
CDBG - CV Round 1	21.019		12,534	12,534
CDBG - CV Round 3	21.019		5,533	18,806
			<u>18,067</u>	<u>31,340</u>
HOME Investment Partnership Program CHIP	14.239		66,375	66,375
Total U.S. Dept. of Housing and Urban Development			<u>222,378</u>	<u>367,323</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Direct Grants				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0509	-	17,888
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0509	-	31,533
			<u>-</u>	<u>49,421</u>
Total U.S. Department of Justice			<u>-</u>	<u>49,421</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Federal Highway Administration				
Passed Through Georgia Department of Transportation WRATS-Planning	20.205	PL000-0012-00(409)	-	76,373
Total U.S. Department of Transportation			<u>-</u>	<u>76,373</u>
<u>U. S. DEPARTMENT OF TREASURY</u>				
Direct Grants				
ARPA FUNDS Assistance Listing	21.027		-	1,250,539
Total U. S. Department of Treasury			<u>-</u>	<u>1,250,539</u>
Total Expenditures of Federal Awards			<u>\$ 222,378</u>	<u>\$ 1,743,656</u>

CITY OF WARNER ROBINS, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Warner Robins, Georgia and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule. City records should be consulted to determine amounts expended from non-federal sources.

NOTE 2. INDIRECT COST RATES

The City has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I

SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness identified? _____ yes X no

Significant deficiency identified
not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements
noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

Material weaknesses identified? _____ yes X no

Significant deficiencies identified
not considered to be material weaknesses? _____ yes X none reported

Type of auditor's report issued on compliance
For major programs: unmodified

Any audit findings disclosed that are required
To be reported in accordance with
Uniform Guidance? _____ yes X no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Programs</u>
21.027	ARPA Funds Assistance Listing

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 WARNER ROBINS, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION II

FINANCIAL STATEMENT FINDINGS

None Reported

SECTION III

FEDERAL AWARDS FINDINGS

None Reported

CITY OF WARNER ROBINS, GEORGIA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

Finding 2022-001

Significant Deficiency in Internal Control Over Financial Reporting

Criteria: For effective monitoring of interim financial information and budgets, at the City Council level, data in the City's financial system must be supplemented by up-to-date and accurate information.

Update: Resolved.