

# **Comprehensive Annual Financial Report**

**City of Acworth, Georgia**



**For the Fiscal Year Ended June 30, 2020**

**DEPARTMENT OF FINANCE**

**Lindy Tisdell, CPA**

**City Treasurer**

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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# **INTRODUCTORY SECTION**

Thomas W. Allegood, Mayor

Board of Aldermen:

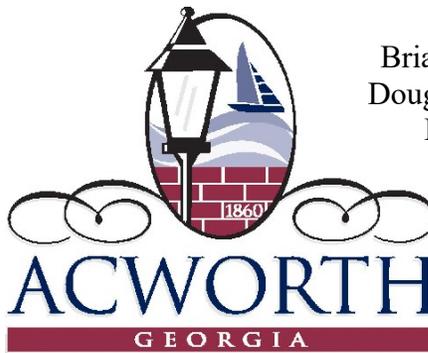
Tim Houston

Albert L. Price

Gene Pugliese

Tim Richardson

Brett North



Brian M. Bulthuis, City Manager

Douglas R. Haynie, City Attorney

Regina R. Russell, City Clerk

4415 Center Street

Acworth, Georgia 30101

(770) 974-3112

Fax (770) 917-0590

www.acworth.org

November 10, 2020

The Honorable Mayor Thomas W. Allegood,  
Members of the Board of Aldermen and  
Citizens of the City of Acworth, Georgia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Acworth, Georgia for the fiscal year ended June 30, 2020 is submitted herewith. Responsibility for both accuracy of the data and the completeness and fairness of presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various activities of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Georgia State statutes and the City charter require an annual audit by independent certified public accountants. The City selected the accounting firm of Nichols, Cauley & Associates, LLC to complete the audit of the 2020 fiscal year. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's report on internal controls and compliance with applicable laws and regulations can be found in the last section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Acworth was incorporated in 1860 and operates under the board-manager form of government. The Mayor and a five-member Board of Aldermen govern the City. Policy-making and legislative authority are vested in the Mayor and Board of Aldermen, who are elected at large serving four-year staggered terms. A City Manager, who is appointed by and responsible to the Mayor and Board of Aldermen, directs the daily operations of the City.

The City is a full-service municipality providing general government, public safety, recreation, public works, solid waste sanitation, electrical power, economic development and other services. In addition to these activities, the City has blended component units that are presented as if they were part of the primary government due to requirements of GASB 61. The Acworth Lake Authority and the Acworth Downtown Development Authority are blended component units of the City. The Acworth Tourism Bureau Authority is a discretely presented component unit of the City with additional information found in the notes to the financial statements.

## **Local Economy**

Acworth is located in the northwest corner of Cobb County; approximately 30 miles northwest of Atlanta. The City's proximity to Interstate 75 and U.S. Highway 41 makes it easily accessible. The Economic Development Department estimates the population of the City at 25,997 as of June 30, 2020.

The local economy of Acworth is growing through redevelopment and new commercial businesses. However, the unemployment rate in Acworth was 7.5% in 2020, up from 3.3% the previous year due to the current economic impacts of the COVID-19 pandemic. Acworth has approximately 956 licensed businesses that employ over 9,100 workers. This is an increase of 2% from 2019. Developments in the surrounding area impact the local economy favorably.

The City of Acworth continues to benefit from a positive economic climate. The 2019 tax digest of the City increased by 4.31% to a total assessed taxable value of \$795,338,415. This increase is a sign that the economy is stable. The 2020 tax digest was approved by the Cobb County Board of Equalization at the end of June 2020 and had an increase of 7.56%. The increases in the taxable value along with the increase of planned developments are evidence that the economy is recovering from the recession. Specifically, the growth in the residential and commercial sectors is evident from the increased permits issued and the highly anticipated or formerly "conceptual" projects have begun going vertical.

Construction permit activity in FY2020 included multiple residential and commercial developments. Abbington Manor was completed adding 92 units of affordable housing for the aging population. Brickmont was also completed adding 120 units of assisted living accommodations. Diverse housing options are continuing in the downtown corridor including The Awtrey, a mixed-use development which will include 20 townhomes, 5 live/work condominium units and 3,000 square feet of retail/restaurant space. Also completed within the downtown corridor is Red Top Brewhouse, the 1885 Grill, and the Cowan Historic Mill special event center. Nearby, The Archer, is nearing completion of 385 apartment units which have already begun moving residents in. The city is working hard to bring a variety of housing options to appeal to all demographics and continues to explore all options in upcoming development discussions. Commercial projects include the recently completed Tractor Supply Company as well as Popeye's and Dairy Queen Grill restaurants currently under construction.

These facilities and development opportunities add value to the City and the community by not only providing options for alternative living arrangements; but also creating jobs and generating additional tax revenues as the tax digest continues to be diversified.

As in all years, the City continually seeks new quality redevelopment and development growth in both residential and commercial categories. Additionally, there is potential for continued growth through annexation. These efforts are not always immediate. As with any economic development

initiative, it may take years to reveal itself but begins with developing partnerships and having conversations.

### **Major Initiatives**

Annually, the City reviews and updates its short-term work program and capital improvement element of the comprehensive plan. It includes specific goals and work projects. The plan is reviewed by the Atlanta Regional Commission and the Department of Community Affairs. A comprehensive plan is the planning document that is utilized by communities as it relates to land use and can be utilized in guiding quality growth.

Initiatives created through the Special Local Option Sales Tax (SPLOST) approved in November 2014 by Cobb County voters, allowed the City to complete additional projects in fiscal year 2020. Road improvement projects totaling \$2 Million continued to be completed along with \$0.3 Million in parks projects, and \$.3 Million in Public Safety projects. SPLOST is a vital funding tool which provides and affords communities like Acworth the opportunity to implement projects that are crucial for the constituents. By leveraging SPLOST funds to conduct capital projects, it allows the City to maximize all funding sources for completion of projects.

Construction on the Downtown Redevelopment Project that began in fiscal year 2018 saw a few of the projects to completion in fiscal year 2020. The pedestrian overpass bridge extending over the CSX railroad was completed in fiscal year 2020. The project changes the dynamics of the thriving downtown to join both sides of the railroad tracks. The completion has already brought commercial growth to the park side of the City where the jewel of Acworth's recreation facilities such as Logan Farm and the Community Center are located. This major redevelopment project is possible with funding from a \$7.16 Million bond issuance through the Acworth Downtown Development Authority during fiscal year 2017, SPLOST 2016 Funds and a \$1.5 Million grant from the Georgia Transportation Infrastructure Bank (GTIB) program through the State Road and Toll Authority in fiscal year 2018.

The Georgia Department of Transportation road project for State Route 92 will widen and enhance a major portion of the road that travels through Acworth. The improvements will also include additional pedestrian options. The project broke ground in fiscal year 2020 and is expected to be complete in Fall of 2022. This partnership will streamline traffic flow to Interstate 75.

### **Long-Term Financial Planning**

For the past several years, Acworth has focused on reducing or controlling its operational costs and explored various alternatives and additional revenue sources. The outcome of this enhanced focus has paid off immensely and has changed the financial behavior and decision making of the City. Unassigned fund balance in the general fund is 32% of general fund operating expenditures. This balance would cover just over 3 months of the City operating expenses and is within the Government Finance Officers Association (GFOA) recommendation of a minimum of 2 months.

The City's long-term financial status is dependent on continued growth and diversification of the City's tax base. Efforts for redevelopment and revitalization in the City continue.

## **Relevant Financial Policies**

The City has positioned itself over the years to weather economic downturns. The City will continue to move forward in this renewed focus and begin to look into establishing additional fiscal policies. The City's Fund Balance Policy classifies fund balance amounts within five classifications (Non-spendable, Restricted, Committed, Assigned and Unassigned). The City Manager has the authority to assign funds for particular purposes under the policy. Unrestricted Fund Balance consists of the total of Committed, Assigned and Unassigned Fund Balance. The target of the policy is to maintain an Unrestricted Fund Balance in the General Fund of not less than 17% of annual operating expenditures. The City continues to review current and potential policies for adoption; including adopting a Budget Policy and Revenue Policy in upcoming fiscal years.

The City achieves and maintains budgetary control by operating under the statutes of the State of Georgia, which require the City to adopt an annual balanced budget. Expenditures may not legally exceed appropriations at the department level, within each fund. Departments review their budget actual statements on a regular basis to ensure they are within their budget projections.

City management is responsible for establishing and maintaining an internal accounting control system. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial reports for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## **Other information**

Independent Audit. Article VI, Section 6.26 of the Charter of the City of Acworth requires an annual independent audit of all City accounts, funds, and financial transactions by a certified public accountant selected by the Mayor and Board of Aldermen. Nichols, Cauley & Associates LLC have audited the City of Acworth's financial statements. The independent auditors have concluded, based upon their audit, that there was reasonable basis for rendering an unmodified ("clean") opinion for the City of Acworth and its component unit for the fiscal year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Acworth for its comprehensive annual financial report for the year ended June 30, 2019. This was the twentieth consecutive year the City had received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In December 2019, the Georgia Main Street program recognized the City of Acworth as a Georgia Exceptional Main Street community. Georgia's Exceptional Main Street communities, also known as GEMS, represent some of the best Main Street Programs that the state has to offer. These Main Streets have gone above and beyond expectations by making a strong and positive impact in their communities. Acworth is now one of eighteen Georgia cities recognized with the GEMS distinction.

The preparation of this report is a joint effort involving all City staff, along with the cooperation of various elected officials and appointed management. Their dedication and contributions to the preparation of this report, along with the direction and support of the City Manager's Office, form the basis for responsible and progressive financial management in the City of Acworth.

The Mayor and Board of Aldermen should be acknowledged for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner. The Citizens of the City of Acworth are also thanked for their level of community involvement extending far beyond personal interest.

All of these components make Acworth an exciting place to live, work and play.

Respectfully submitted,

A handwritten signature in black ink that reads "Lindy Tisdel". The signature is written in a cursive, flowing style.

Lindy Tisdel, CPA  
City Treasurer  
City of Acworth



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Acworth  
Georgia**

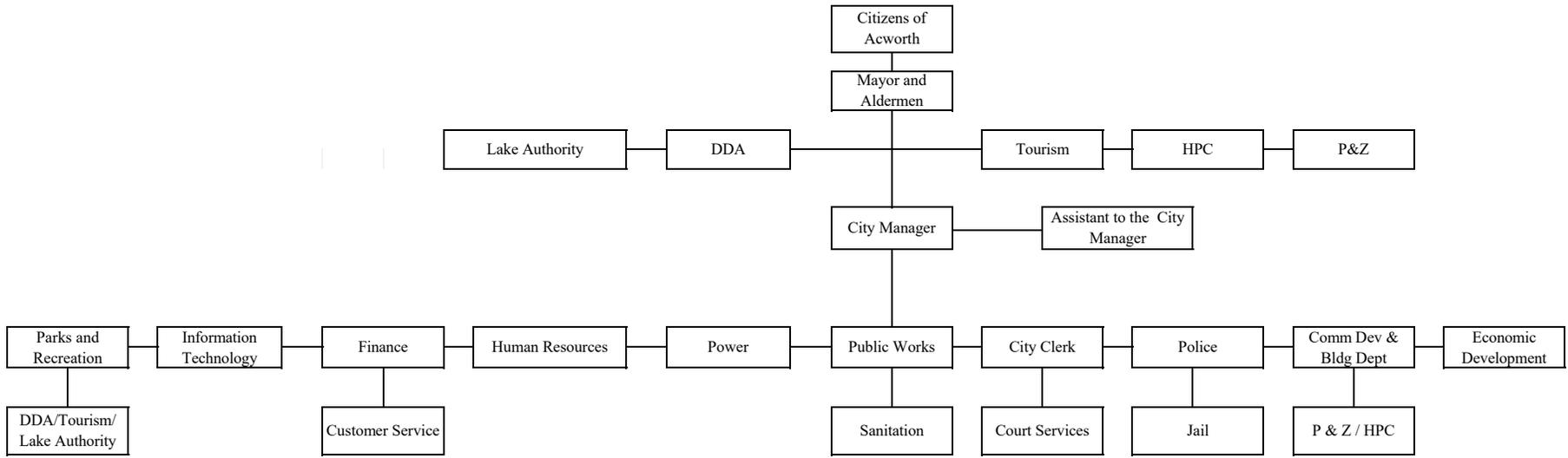
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## City of Acworth Organizational Chart



**CITY OF ACWORTH, GEORGIA**  
**CITY OFFICIALS AND ADMINISTRATION**  
**June 30, 2020**

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Thomas W. Allegood  
Mayor

BOARD OF ALDERMEN

Tim Houston  
Brett North  
Albert L. Price  
Gene Pugliese  
Timothy Richardson

CITY ADMINISTRATION

Brian M. Bulthuis  
City Manager

Alex Almodovar  
Regina R. Russell  
Lindy Tisdell  
Christine Dobbs  
Loyd Fasselt  
Angie Luna  
James Albright  
G. Wayne Dennard  
Keith Wilson  
Rachelle Ballard

Assistant to the City Manager  
City Clerk  
City Treasurer  
Community Development Director  
Building Official  
Public Works/Power Director  
Parks and Recreation Director  
Chief of Police  
Information Systems Manager  
Human Resources Director

# **FINANCIAL SECTION**



## NICHOLS, CAULEY & ASSOCIATES, LLC

1825 Barrett Lakes Blvd, Suite 200  
Kennesaw, Georgia 30144  
770-422-0598 FAX 678-214-2355  
kennesaw@nicholscauley.com

### INDEPENDENT AUDITOR'S REPORT

The Honorable Thomas W. Allegood, Mayor  
Board of Aldermen  
City of Acworth  
Acworth, Georgia

#### **Report on the Financial Statements**

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

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Atlanta | Calhoun | Canton | Dalton | Dublin  
Fayetteville | Kennesaw | Rome | Warner Robins

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

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

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, the Schedule of Pension Contributions, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios, and the budgetary comparison information on pages 4-17 and 62-70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Acworth, Georgia's basic financial statements. The introductory section, combining and individual fund statements and schedules, supplementary information, statistical section, and special reports section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred, the Recreational Impact Fees Schedule of Collections, Encumbrances, and Uses, and the 1 Percent Sales Tax Schedule of Projects Constructed with Special Sales Tax Proceeds are presented for purposes of additional

analysis as required by the Official Code of Georgia 48-13-51, 36-71-8, and 48-8-121, respectively, and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules, supplementary information, and the special reports section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, supplementary information, and the special reports section are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2020, on our consideration of the City of Acworth, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Acworth, Georgia's internal control over financial reporting and compliance.

*Richels, Cauley + Associates, LLC*

Kennesaw, Georgia  
November 10, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

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As management of the City of Acworth, we offer readers of the City of Acworth's financial statements this narrative overview and analysis of the financial activities of the City of Acworth, Georgia (the City) for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found on pages i-v of this report.

### Financial Highlights

- The City's net position totals \$61,291,285 at the end of the year. This amount includes \$60,692,256 net investment in capital assets, a restricted portion of \$8,949,567 and an unrestricted net position of a negative \$8,350,538.
- The City's total net position increased by \$2,487,783. Net position for governmental activities increased by \$2,135,686 or 4.9% and business-type net position increased by \$352,097 or 2.3%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,086,429, an increase of \$2,572,903. The net unassigned fund balance of \$4,619,541 is comprised wholly of the General Fund.
- The City's total debt decreased \$1,280,204.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Acworth's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic statements, this report contains other supplementary information, including combining statements for non-major funds, and a statistical section. Comparative data is presented as applicable.

**Government-Wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

- The *statement of net position* presents, combines, and consolidates the City's current financial resources with capital assets and liabilities, with the difference between the two reported as *net position*. This statement provides information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.
- The *statement of activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including public safety, public works, culture and recreation, economic development, general administration and the City's employee insurance internal service fund. Property taxes and franchise fees finance the majority of these activities.
- **Business-type activities** – The City charges a fee to customers to help recover all or most of the cost of certain services it provides. The City's electrical power system and solid waste sanitation system are reported here along with the City's customer service internal service fund.
- **Component unit** – The City has one discretely presented component unit - the Acworth Tourism Bureau Authority.

**Fund Financial Statements.** A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. Fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of the report. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

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

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

The City maintains eleven governmental funds. Information is presented separately in the governmental fund balance sheet, the governmental fund statement of revenues, and expenditures and changes in fund balance for the General Fund and the Special Purpose Local Option Sales Tax (SPLOST) fund. These are considered to be major funds. Data from the other funds is combined into a single, aggregate presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found beginning on page **20** of this report.

The City of Acworth adopts a budget for all funds it operates. A budgetary comparison schedule has been provided for the General Fund as required supplementary information. Budget to actual comparisons for other governmental-type funds are provided in individual schedules elsewhere in this report.

**Proprietary Funds.** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains two enterprise funds: Acworth Power and Acworth Sanitation. *Internal Service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City has two internal service funds. One internal service fund is used to account for its customer service activities associated with Acworth Power, Acworth Sanitation, occupational tax certificate issuance and property tax collections. This service predominantly benefits business-type activities more than governmental functions, and is therefore included within the business-type activities in the government-wide financial statements. The City utilizes an internal service fund for the purpose of administering its workers compensation insurance as well as the employee medical insurance. This internal service fund has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Acworth Power and Acworth Sanitation. The internal service funds of Customer Service and Insurance are presented in the proprietary fund section.

The basic proprietary funds financial statements are presented beginning on page **23** of this report.

**Notes to the Basic Financial Statements.** The financial statements include notes that explain some of the information in the financial statements and provide information that is more detailed. The notes are essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page **27** of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found beginning on page **62** of this report.

The City reports major funds in the basic financial statements. Combining and individual fund statements and schedules for non-major funds are presented following the notes to the financial statements and begins on page **71** of this report.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

**Government-Wide Financial Analysis**

The following table provides a summary of the City’s governmental and business-type net position for the fiscal year. The City’s net position increased \$2,487,783 in fiscal year 2020. The net position of the governmental activities includes a \$55,135,519 net investment in capital assets. Capital Assets of \$65,919,301 include land, buildings, park improvements, infrastructure, machinery and equipment net of accumulated depreciation. Related debt includes bonds of \$12,805,000.

The net position of the business-type activities includes \$5,556,737 net investment in capital assets. Capital assets of \$6,144,546 include land, building, electrical infrastructure, other improvements, machinery and equipment, net of accumulated depreciation. Related debt includes capital leases of \$416,735.

For more detailed information, see the Statement of Net Position on page 18 of the financial statements and the notes to the financial statements.

|   | <b>Summary of Net Position</b>     |                     |                                     |                     |                     |                     | <b>Total %<br/>Change<br/>2020-2019</b> |
|---|------------------------------------|---------------------|-------------------------------------|---------------------|---------------------|---------------------|---|
|   | <b>Governmental<br/>Activities</b> |                     | <b>Business-type<br/>Activities</b> |                     | <b>Total</b>        |                     |   |
|   | <b>2020</b>                        | <b>2019</b>         | <b>2020</b>                         | <b>2019</b>         | <b>2020</b>         | <b>2019</b>         |   |
| <b>Assets:</b>                              |                                    |                     |                                     |                     |                     |                     |   |
| Current and Other Assets                    | \$15,946,913                       | \$15,505,634        | \$23,207,526                        | \$21,796,351        | \$39,154,439        | \$37,301,985        | 4.97%                                   |
| Capital Assets                              | 65,919,301                         | 65,709,749          | 6,144,546                           | 5,550,544           | 72,063,847          | 71,260,293          | 1.13%                                   |
| <b>Total Assets</b>                         | <b>81,866,214</b>                  | <b>81,215,383</b>   | <b>29,352,072</b>                   | <b>27,346,895</b>   | <b>111,218,286</b>  | <b>108,562,278</b>  | <b>2.45%</b>                            |
| <b>Deferred outflows of resources:</b>      |                                    |                     |                                     |                     |                     |                     |   |
| Related to OPEB                             | 4,348,640                          | 30,054              | 1,682,761                           | 11,116              | 6,031,401           | 41,170              | 14549.99%                               |
| Related to pensions                         | 1,779,043                          | 805,235             | 465,105                             | 239,144             | 2,244,148           | 1,044,379           | 114.88%                                 |
| <b>Total Deferred Outflows of Resources</b> | <b>6,127,683</b>                   | <b>835,289</b>      | <b>2,147,866</b>                    | <b>250,260</b>      | <b>8,275,549</b>    | <b>1,085,549</b>    | <b>662.34%</b>                          |
| <b>Liabilities:</b>                         |                                    |                     |                                     |                     |                     |                     |   |
| Current liabilities                         | 3,917,183                          | 5,548,558           | 2,338,678                           | 2,255,772           | 6,255,861           | 7,804,330           | -19.84%                                 |
| Long-term liabilities                       | 36,528,787                         | 30,358,480          | 7,410,750                           | 4,533,029           | 43,939,537          | 34,891,509          | 25.93%                                  |
| <b>Total Liabilities</b>                    | <b>40,445,970</b>                  | <b>35,907,038</b>   | <b>9,749,428</b>                    | <b>6,788,801</b>    | <b>50,195,398</b>   | <b>42,695,839</b>   | <b>17.57%</b>                           |
| <b>Deferred inflows of resources:</b>       |                                    |                     |                                     |                     |                     |                     |   |
| MEAG project                                | -                                  | -                   | 6,043,784                           | 5,234,054           | 6,043,784           | 5,234,054           | 15.47%                                  |
| Related to OPEB                             | 1,386,673                          | 1,730,246           | 536,590                             | 639,954             | 1,923,263           | 2,370,200           | -18.86%                                 |
| Related to pensions                         | 31,793                             | 419,613             | 8,312                               | 124,619             | 40,105              | 544,232             | -92.63%                                 |
| <b>Total Deferred Inflows of Resources</b>  | <b>1,418,466</b>                   | <b>2,149,859</b>    | <b>6,588,686</b>                    | <b>5,998,627</b>    | <b>8,007,152</b>    | <b>8,148,486</b>    | <b>-1.73%</b>                           |
| <b>Net position:</b>                        |                                    |                     |                                     |                     |                     |                     |   |
| Net investment in capital assets            | 55,135,519                         | 54,070,531          | 5,556,737                           | 5,148,421           | 60,692,256          | 59,218,952          | 2.49%                                   |
| Restricted                                  | 8,949,567                          | 6,246,325           | -                                   | -                   | 8,949,567           | 6,246,325           | 43.28%                                  |
| Unrestricted                                | (17,955,625)                       | (16,323,081)        | 9,605,087                           | 9,661,306           | (8,350,538)         | (6,661,775)         | 25.35%                                  |
| <b>Net Position</b>                         | <b>\$46,129,461</b>                | <b>\$43,993,775</b> | <b>\$15,161,824</b>                 | <b>\$14,809,727</b> | <b>\$61,291,285</b> | <b>\$58,803,502</b> | <b>4.23%</b>                            |

**Changes in Net Position**

The City’s total revenues before transfers were \$39,364,358 in fiscal year 2020. Expenses before transfers were \$36,876,575 for the same period. Governmental and business-type activities combined provided a \$2,487,783 increase in net position.

Governmental activities revenues, before transfers, were \$23,790,104 and included \$2,978,590 in charges for services, operating grants and contributions of \$104,694 and capital grants and contributions of \$7,893,838. The largest governmental activities expenses were for public safety \$8,270,258, public works of \$4,743,149, culture and recreation of \$4,526,274, and general government of \$3,726,208. Expenses include depreciation expense as explained in the notes to the financial statements.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

Business-type activity revenues, before transfers, were \$15,574,254, and included \$15,357,634 in charges for services and \$17,752 capital grant and contribution revenues. The largest business-type activity expenses were for electric of \$11,778,042 which included wholesale power expenses of \$7,249,376 and personal services of \$2,446,558. Sanitation services include expenses of \$550,505 for personal services and \$442,814 in landfill tipping fees.

The table below shows the summary of the changes in net position during the year.

**Summary of Changes in Net Position**

|   | Governmental Activities |                      | Business-type Activities |                     | Total                |                      |
|---|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|   | 2020                    | 2019                 | 2020                     | 2019                | 2020                 | 2019                 |
| Revenues:                                     |                         |                      |                          |                     |                      |                      |
| Program:                                      |                         |                      |                          |                     |                      |                      |
| Charges for services                          | \$ 2,978,590            | \$ 3,353,680         | \$ 15,357,634            | \$ 15,411,815       | \$ 18,336,224        | \$ 18,765,495        |
| Operating Grants and Contributions            | 104,694                 | 366,880              | -                        | -                   | 104,694              | 366,880              |
| Capital Grants and Contributions              | 7,893,838               | 4,875,182            | 17,752                   | 7,550               | 7,911,590            | 4,882,732            |
| General:                                      |                         |                      |                          |                     |                      |                      |
| Property taxes                                | 6,642,549               | 6,546,327            | -                        | -                   | 6,642,549            | 6,546,327            |
| Insurance premium taxes                       | 1,558,478               | 1,465,968            | -                        | -                   | 1,558,478            | 1,465,968            |
| Alcohol taxes                                 | 533,841                 | 522,948              | -                        | -                   | 533,841              | 522,948              |
| Hotel/motel taxes                             | 296,014                 | 405,486              | -                        | -                   | 296,014              | 405,486              |
| Franchise taxes                               | 1,509,857               | 1,476,003            | -                        | -                   | 1,509,857            | 1,476,003            |
| Financial Institution tax                     | 46,044                  | 48,208               | -                        | -                   | 46,044               | 48,208               |
| Business Taxes                                | 658,818                 | 640,558              | -                        | -                   | 658,818              | 640,558              |
| Contributions not restricted                  | 655,739                 | 650,284              | -                        | -                   | 655,739              | 650,284              |
| Operating Grants not restricted               | 464,378                 | 454,529              | -                        | -                   | 464,378              | 454,529              |
| Unrestricted Interest                         | 145,372                 | 129,238              | 198,843                  | 287,238             | 344,215              | 416,476              |
| Miscellaneous                                 | 301,892                 | 541,926              | 25                       | 1,353               | 301,917              | 543,279              |
| <b>Total Revenues</b>                         | <b>23,790,104</b>       | <b>21,477,217</b>    | <b>15,574,254</b>        | <b>15,707,956</b>   | <b>39,364,358</b>    | <b>37,185,173</b>    |
| Expenses:                                     |                         |                      |                          |                     |                      |                      |
| General Government                            | 3,726,208               | 3,306,624            | -                        | -                   | 3,726,208            | 3,306,624            |
| Judicial                                      | 465,586                 | 465,947              | -                        | -                   | 465,586              | 465,947              |
| Health and Welfare                            | 651                     | 5,239                | -                        | -                   | 651                  | 5,239                |
| Public works                                  | 4,743,149               | 6,149,459            | -                        | -                   | 4,743,149            | 6,149,459            |
| Culture and Recreation                        | 4,526,274               | 4,169,791            | -                        | -                   | 4,526,274            | 4,169,791            |
| Public safety                                 | 8,270,258               | 7,469,115            | -                        | -                   | 8,270,258            | 7,469,115            |
| Housing and Development                       | 1,170,723               | 1,315,407            | -                        | -                   | 1,170,723            | 1,315,407            |
| Interest and fiscal charges on long-term debt | 675,241                 | 553,973              | -                        | -                   | 675,241              | 553,973              |
| Electric                                      | -                       | -                    | 11,778,042               | 10,865,674          | 11,778,042           | 10,865,674           |
| Sanitation                                    | -                       | -                    | 1,520,443                | 1,748,282           | 1,520,443            | 1,748,282            |
| <b>Total Expenses</b>                         | <b>23,578,090</b>       | <b>23,435,555</b>    | <b>13,298,485</b>        | <b>12,613,956</b>   | <b>36,876,575</b>    | <b>36,049,511</b>    |
| Change in Net Position before Transfers       | 212,014                 | (1,958,338)          | 2,275,769                | 3,094,000           | 2,487,783            | 1,135,662            |
| Transfers                                     | 1,923,672               | 1,902,943            | (1,923,672)              | (1,902,943)         | -                    | -                    |
| <b>Change in net position</b>                 | <b>2,135,686</b>        | <b>(55,395)</b>      | <b>352,097</b>           | <b>1,191,057</b>    | <b>2,487,783</b>     | <b>1,135,662</b>     |
| Net Position - Beginning                      | 43,993,775              | 44,049,170           | 14,809,727               | 13,618,670          | 58,803,502           | 57,667,840           |
| <b>Net Position - Ending</b>                  | <b>\$ 46,129,461</b>    | <b>\$ 43,993,775</b> | <b>\$ 15,161,824</b>     | <b>\$14,809,727</b> | <b>\$ 61,291,285</b> | <b>\$ 58,803,502</b> |

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

**Governmental Activities**

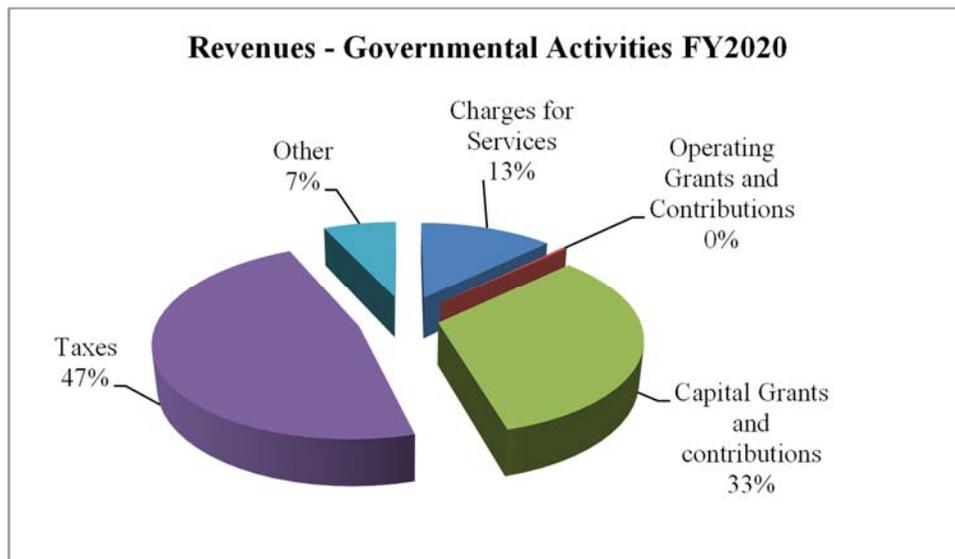
The City’s governmental activities are heavily reliant on property taxes to support governmental operations. The governmental activities increased the City’s net position by \$212,014 before transfers. Governmental activities increased the City’s net position by \$2,135,686 after net transfers of \$1,923,672. This accounts for 86% of the total growth in net position.

The following table illustrates the costs of governmental expenses along with the net costs after the deduction of program revenues:

| <b>Governmental Activities</b> |                                   | <b>FY 2020 Net<br/>(Expense) Revenue<br/>and Change in Net<br/>Position</b> |
|--------------------------------|-----------------------------------|---|
|                                | <b>FY 2020 Total<br/>Expenses</b> |   |
| General Government             | \$ 3,726,208                      | \$ (3,347,859)  |
| Judicial                       | 465,586                           | 426,997   |
| Health and Welfare             | 651                               | (651)   |
| Public Works                   | 4,743,149                         | 178,754   |
| Culture and Recreation         | 4,526,274                         | (1,138,740)   |
| Public Safety                  | 8,270,258                         | (7,208,131)   |
| Housing and Development        | 1,170,723                         | (836,097)   |
| Interest and Fiscal Charges    | 675,241                           | (675,241)   |
| <b>Total</b>                   | <b>\$ 23,578,090</b>              | <b>\$ (12,600,968)</b>  |

Additional information concerning net cost of services may be found in the Statement of Activities on Page 19.

The following charts show the source of the City’s governmental revenues and expenses.



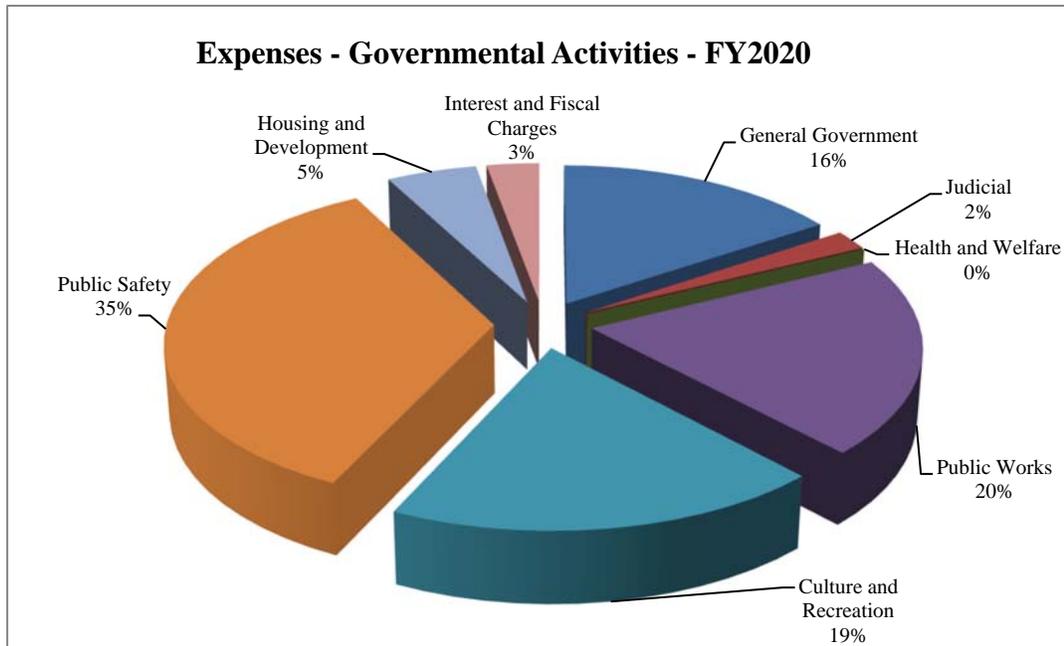
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

Revenue Impacts:

- Taxes of \$11,245,601 provided 47% of governmental revenues of general operations. Property Taxes in the amount of \$6,642,549 represent 59% of taxes. The M&O millage remained at 7.60 mills.
- Capital Grants and Contributions of \$7,893,838 provided 33% of governmental revenues of general operations and includes intergovernmental proceeds related Special Purpose Local Options Sales Tax and grants related to infrastructure.
- Charges for services of \$2,978,590 provides 13% of governmental revenues of general operations and include municipal court fines of \$892,583 culture and recreation fees of \$660,029.
- The transfers from business-type activities in the amount of \$1,923,672 increased \$20,729 from prior year of 1,902,943.



Expense Impacts:

- Personnel expenses overall increased as a result of pay adjustments, additional employees and timing of filling positions.
- Public Safety expenses of \$8,270,258 account for 35% of governmental expenses. This is an increase of 11% from prior year as a result of increased personnel related costs and the purchase of vehicles and equipment.
- Public Works expenses of \$4,743,149 account for 20% of governmental expenses. The 23% decrease from prior year is the result of the timing of capital projects. Most of the public works projects are funded through SPLOST, capital grants and bond proceeds from FY2017 debt issuance for a downtown project.
- General government expenses of \$3,726,208 represent 16% of governmental expenses and increased 13% from prior year primarily due to increased personnel related costs.
- Culture and recreation expenses of \$4,526,274 increased 9% from prior year and represents 19% of governmental expenses. The change is primarily the result of the timing of capital projects and increased personnel related costs.
- Interest and fiscal service charges on debt service increased \$121,268 due to debt modification and refinancing costs.
- Total expenses increased \$142,535 (approximately 1%) from prior year.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

**Business-Type Activities**

The City’s business-type activities include Acworth Power, Acworth Sanitation and an internal service fund (Customer Service). Net position for business-type activities increased \$2,275,769 before net transfers out of \$1,923,672.

| <b>Business Activities</b> |                           |   |
|----------------------------|---------------------------|---|
|                            | FY 2020 Total<br>Expenses | FY 2020 Net<br>(Expense) Revenue<br>and Change in Net<br>Position |
| Electric                   | \$ 11,778,042             | \$ 1,582,056  |
| Sanitation                 | 1,520,443                 | 494,845   |
| <b>Total</b>               | <b>\$ 13,298,485</b>      | <b>\$ 2,076,901</b>   |

Program revenues for business-type activities for fiscal year 2020 were \$15,375,386; a decrease of \$43,979 from prior year as the result of a decrease in KWH sold to electric customers. Sanitation revenues increased based upon a rate adjustment during the fiscal year.

**Financial Analysis of the City’s Funds**

**Governmental Funds.** The focus of the City of Acworth’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. General governmental functions are contained in the general, special revenue, capital projects and debt service funds. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

| <b>Financial Analysis of the City’s Major Governmental Funds</b> |                             |                       |                        |   |                             |  |
|--|-----------------------------|-----------------------|------------------------|---|-----------------------------|--|
| Fund   | Fund Balances<br>06/30/2019 | Revenues /<br>Sources | Expenditures /<br>Uses | Revenues/Sources or<br>(Under)<br>Expenditures/Uses | Fund Balances<br>06/30/2020 |  |
| General Fund   | \$ 7,919,653                | \$ 15,680,573         | \$ 15,571,792          | \$ 108,781  | \$ 8,028,434                |  |
| SPLOST   | 1,674,890                   | 5,249,825             | 2,739,071              | 2,510,754   | 4,185,644                   |  |

As of June 30, 2020, the City’s governmental funds reported combined ending fund balances of \$14,086,429, an increase of \$2,572,903 in comparison with the prior year. The General Fund had an increase in fund balance of \$108,781. The SPLOST Fund is a major fund and had an increase in fund balance of \$2,510,754 as a result of the timing of capital projects beginning in comparison of receipt of SPLOST revenues. Other non-major Governmental Funds had a net decrease of \$46,632 for a total fund balance of \$1,872,351; the majority of which is in the Capital Improvement Fund.

The nonspendable portion of fund balance includes amounts restricted for prepaid insurance and prepaid expenditures. The restricted and committed portions of fund balance represent amounts restricted for seized assets held by the police department, capital projects and proceeds from the sale of the water and sewer system that cannot be spent without voter approval. Assignments of fund balance may be done by the city manager for future projects.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

**General Fund**

At June 30, 2020, Acworth’s total fund balance for General Fund was \$8,028,434 and consisted of the following:

- Nonspendable – \$264,712 for prepaid insurance and \$60,540 for other prepaids for future services
- Restricted – \$1,996 for Public Safety, \$1,940 for Culture and Recreation, \$1,186 for Public Works; and \$3,000,000 for voter appropriation.
- Committed – \$107 for Public Works, \$1,703 for General Government, \$236 for Culture and Recreation, and \$9,680 for Housing and Development.
- Assigned – \$7,208 for Housing and Development, \$13,645 for Public Safety, and \$45,940 for Culture and Recreation.
- Unassigned – \$4,619,541 which is an increase of \$69,639 from prior year

Total Fund balance for the General fund increased \$108,781 from prior year.

As a measure of the General Fund’s liquidity, it may be helpful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 31% of the total fiscal year 2020 expenditures before transfers, while total fund balance is 54% of the same amount.

| <b>General Fund - Revenues by Source</b> |                      |             |                      |             |                     |             |
|--|----------------------|-------------|----------------------|-------------|---------------------|-------------|
|  | FY2020               |             | FY2019               |             | Increase/(Decrease) |             |
|  | Amount               | % of Total  | Amount               | % of Total  | Amount              | % of Change |
| Taxes                                    | \$ 11,220,009        | 81%         | \$ 10,975,050        | 79%         | \$ 244,959          | 2%          |
| License & Permits                        | 457,732              | 3%          | 493,986              | 3%          | (36,254)            | -7%         |
| Intergovernmental                        | 62,351               | 1%          | 51,415               | 0%          | 10,936              | 21%         |
| Charges for Services                     | 965,744              | 7%          | 1,106,748            | 8%          | (141,004)           | -13%        |
| Fines & Forfeitures                      | 892,583              | 6%          | 1,086,151            | 8%          | (193,568)           | -18%        |
| Investment Earnings                      | 126,343              | 1%          | 86,951               | 1%          | 39,392              | 45%         |
| Contributions & Donations                | 47,091               | 0%          | 60,473               | 0%          | (13,382)            | -22%        |
| Other                                    | 165,864              | 1%          | 85,379               | 1%          | 80,485              | 94%         |
| <b>Total</b>                             | <b>\$ 13,937,717</b> | <b>100%</b> | <b>\$ 13,946,153</b> | <b>100%</b> | <b>\$ (8,436)</b>   | <b>0%</b>   |

The following provides an explanation of revenues by source changes from FY2019 to FY2020:

- **Taxes.** Property taxes are the most significant revenue source during the year at \$6,733,739 and represent 60% of tax revenues. The taxable digest increased 4.31%. The millage rate remained stable at 7.60 mills. Insurance Premium Taxes increased 6% to \$1,558,478. Franchise Taxes increased 2% to \$1,509,857.
- **Licenses and permits.** License and permits saw a decrease of \$36,254 (7%). Building permits make up the bulk of the decrease at \$61,218 lower than prior year; due to the permitting of several commercial housing developments in fiscal year 2019. The decrease in building permits was offset by a \$28,694 increase in Alcohol Privilege Licenses. Licenses and permits represent 3% of the total General Fund revenues before transfers.
- **Intergovernmental.** Intergovernmental revenue increased 21% to \$62,351; the increase is related to the increase in receipts from federal operating reimbursements.
- **Charges for service.** Charges for services decreased 13% to \$965,744. Culture and recreation related fees account for the bulk of the revenue and saw a decrease in parking fees at the parks as well as a reduction in summer camp programs and facility rentals due to COVID-19 restrictions.
- **Fines and forfeitures.** Fines and forfeitures represent 6% of total General Fund revenues and decreased 18% to \$892,583. Decreased traffic violations as well as the timing of payments due to mandated court shutdowns attribute to the change from prior year.
- **Investment earnings.** Investment earnings increased 45% from the prior year; this revenue is dependent on availability of funds for investments as well as market rates which are out of the control of the City.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

- **Contributions and donations.** Contributions and donations decreased 22% to \$47,091; donations are used to fund programs such as Acworth Achievers and Expanding Horizons.
- **Other.** Other revenue increased \$80,485. The 94% increase is attributed predominantly to reimbursements in the current year for damaged property.

| <b>General Fund - Expenditures by Function</b> |                      |             |                      |             |                     |             |  |
|--|----------------------|-------------|----------------------|-------------|---------------------|-------------|--|
|  | FY2020               |             | FY2019               |             | Increase/(Decrease) |             |  |
|  | Amount               | % of Total  | Amount               | % of Total  | Amount              | % of Change |  |
| General Government                             | \$ 2,934,492         | 20%         | \$ 2,945,373         | 19%         | \$ (10,881)         | 0%          |  |
| Public Safety                                  | 6,020,034            | 41%         | 5,868,982            | 39%         | 151,052             | 3%          |  |
| Public Works                                   | 1,105,188            | 7%          | 1,525,389            | 10%         | (420,201)           | -28%        |  |
| Health & welfare                               | 651                  | 0%          | 5,239                | 0%          | (4,588)             | -88%        |  |
| Housing & Development                          | 1,021,830            | 7%          | 1,209,504            | 8%          | (187,674)           | -16%        |  |
| Judicial                                       | 413,919              | 3%          | 439,560              | 3%          | (25,641)            | -6%         |  |
| Culture & recreation                           | 2,945,811            | 20%         | 2,868,882            | 19%         | 76,929              | 3%          |  |
| Debt Service                                   | 376,320              | 2%          | 354,215              | 2%          | 22,105              | 6%          |  |
| <b>Total</b>                                   | <b>\$ 14,818,245</b> | <b>100%</b> | <b>\$ 15,217,144</b> | <b>100%</b> | <b>\$ (398,899)</b> | <b>-3%</b>  |  |

The following provides an explanation of expenditures by function changes from FY2019 to FY2020:

Overall, personnel costs increased 4%. During the year, the effects of pay adjustments, personnel re-organization, and added positions accounted for the bulk of the net change.

- **General government.** Decreased \$10,881 or .4% from prior year. Personnel costs increased \$89,018 due to pay adjustments. Purchased service costs decreased \$113,872 consisting primarily of attorney fee decreases of \$56,534.
- **Public Safety.** Public safety consists of the police department and the jail operations. FY2020 had an increase of \$151,052 or 3%. Personnel costs increased \$222,392 due to pay adjustments, timing of filling open positions and group insurance costs. Purchased services increased \$20,239; which consisted of insurance deductibles due to increased insurance claims. Operating supplies decreased \$61,598 which consisted of reductions in fuel costs, training supplies, and uniform purchases. Capital Outlay decreased \$30,097 due to the timing of computer equipment purchases.
- **Public Works.** Public works decreased \$420,201 or 28%. Personnel cost increased by \$15,104 due to due to pay adjustments. Capital Outlay costs decreased \$417,880 from prior year due to the purchase of a new dump truck and boom with side arm in FY2019.
- **Housing and Development.** Housing and development had a decrease of \$187,674 or 16%. Personnel cost decreased by \$89,305 due to personnel re-organization. Capital outlay costs decreased \$97,737 due to a site acquisition on Southside Drive in FY2019.
- **Judicial.** Municipal court operations decreased by \$25,641 or 6%. Personnel related costs saw an increase of \$21,745 due to pay adjustments and position turnover. Purchased services decreased \$14,107; which is comprised mostly of attorney fees. Fine refunds decreased \$36,207 to \$46,862. Capital outlay costs increased \$3,319 due to laptop purchases.
- **Culture and Recreation.** Culture and recreation cost increases of \$76,929 or 3% were the result of increased personnel related costs of \$202,599 due to pay adjustments and to cover services. Purchased services decreases of \$93,278, included a decrease in payment to a third party to manage the rental of Tanyard Creek Overlook due to event cancellations from COVID-19. Operating supplies saw little change. Capital outlay decreased \$36,185 due to a vehicle purchase in FY2019.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

### SPLOST

At June 30, 2020, SPLOST fund balance was \$4,185,644. SPLOST proceeds are received monthly and the levy will continue through December 2021. SPLOST receipts totaling \$4,727,729 were received during the year. Infrastructure improvements including miscellaneous paving, sidewalks and stormwater continue throughout the City.

### Non Major Governmental Funds

The remaining non major funds of the City are as follows:

#### *Special revenue funds*

- **Hotel Motel Tax Fund** – Levied at a rate of 8%. Taxes received were \$296,014; a decrease of \$109,472 or 27%.
- **Recreational Impact Fee Fund** – Assessed at \$500 per residential dwelling for recreational purposes. Fees received were \$11,000. Fund Balance is \$49,496 at June 30, 2020.
- **Confiscated Asset Fund** – Total revenues of \$26,351 are related to the seizure of property associated with illegal substances or activities. Fund balance is \$722,445 at June 30, 2020.
- **Soil Erosion Fees Fund** – Fees received in FY2020 were \$2,690. Fund balance is \$12,241 at June 30, 2020.
- **Acworth Lake Authority** – Fund Balance at June 30, 2020 is \$35,472. The Authority is blended with the primary government based upon the debt relationship concerning recreational facilities.
- **Acworth Downtown Development Authority** – Fund Balance at June 30, 2020 is \$46,330. The Authority is blended with the primary government based on the debt relationship. Debt service payments are made by the primary government.
- **Emergency Telephone System Fund** – Total revenues of \$480,096 account for the receipt of prepaid wireless 911 fees and non-prepaid wireless 911 fees from the Georgia Department of Revenue.

#### *Capital Improvement*

At June 30, 2020, the fund balance was \$1,006,367. Nonspendable Fund Balance is related to prepaid services. Restricted Fund Balance of \$574,739 relates to proceeds from debt issuance in FY2017 for the Downtown Project. Assigned Fund Balance of \$375,684 includes funds assigned for future projects and purchases. During FY2020, CDBG funding of \$389,439 was received for site improvements. In FY2018, grant funds were received from the Georgia Transportation Infrastructure Bank in the amount of \$1.5 million that were used for the Lemon Street Reconfiguration. That project was completed in FY2019. The Downtown Street and Enhancement Project continued in FY2019 and included a pedestrian bridge to allow passage over the railroad tracks and to link the park side of the City to Downtown. The bridge was opened in FY2020.

#### *Debt Service Fund*

The Debt Service Fund consists of the debt associated with the City's Tax Allocation District. Other debts of the City are presented within the corresponding funds. Debt outstanding for the Tax Allocation District as of June 30, 2020 is \$2,845,000 and will be paid off December 2025. The debt is repaid by the tax increment within the district.

**Proprietary Funds Overview.** The City's proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The City operates two enterprise funds and two internal service funds. The change in net position of the proprietary funds for FY2020 was \$346,929.

Acworth Power provides electrical service to over 6,500 residential and commercial customers. Operating revenues of Acworth Power decreased 1% from the prior year. Personal services increased 45% due to Pension and OPEB increases. Operating expenses increased 8% in fiscal year 2020. Therefore, the operating income saw a decrease of \$1,067,305. Kilowatt hours sold decreased less than 1% to 99,861,313. Wholesale power costs increased \$222,000. As a participant of MEAG, the City incurs costs related to the Vogtle Construction Project which are part of the wholesale power costs. Net position for Acworth Power increased \$71,631 to \$15,522,557.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

Acworth Sanitation provides solid waste sanitation services to over 7,000 residential and commercial customers; collecting over 9,000 tons of refuse. Sanitation rates were adjusted during the year. Operating revenues increased \$93,240 from prior year while operating expenses decreased \$226,504. Vacancies in positions along with pension and OPEB adjustments during FY2020 accounted for the majority of this decrease. Net position for Acworth Sanitation increased \$275,298 to a negative \$476,783.

|  | <b>Enterprise Net Operating Income (Loss)</b> |                     |
|--|---|---------------------|
|  | <b>Non-Operating Revenues (Expenses)</b>      |                     |
|  | <b>and Transfers In (Out)</b>                 |                     |
|  | <b>Fiscal Year</b>                            |                     |
|  | <u>2020</u>                                   | <u>2019</u>         |
| <b>Operating Income (Loss):</b>          |   |                     |
| Acworth Power                            | \$ 1,435,147                                  | \$ 2,502,452        |
| Acworth Sanitation                       | 499,425                                       | 179,681             |
| <b>Total</b>                             | <u>1,934,572</u>                              | <u>2,682,133</u>    |
| <b>Non-Operating Revenues (Expenses)</b> | <u>189,307</u>                                | <u>238,384</u>      |
| <b>Contributed Capital</b>               | <u>17,752</u>                                 | <u>7,550</u>        |
| <b>Income (Loss) Before Transfers</b>    | <u>2,141,631</u>                              | <u>2,928,067</u>    |
| <b>Transfers In (Out)</b>                | <u>(1,794,702)</u>                            | <u>(1,737,010)</u>  |
| <b>Change in Net Position</b>            | <u>\$ 346,929</u>                             | <u>\$ 1,191,057</u> |

Internal service funds are utilized for two operations within the City. The Customer Service fund provides customer service support for customers of Acworth Power and Acworth Sanitation as well as occupational tax certificate holders and administration of property tax collections. The Customer Service Fund had a change in net position of \$5,168 for an ending net position of \$73,041.

The City’s workers compensation and employee medical insurance programs are combined in an internal service fund. These funds are presented in the Proprietary Fund financial statements. Health insurance costs increased in FY2020 as the City saw an overall increase of 11%. Costs were allocated to the related funds. Additional information on the insurance is contained in Note 15 in the notes to the financial statements.

**General Fund Budgetary Highlights**

The City’s budget is prepared in accordance with the laws of the State of Georgia and the Code of Ordinances of the City of Acworth. The City adopts the fiscal budget during June of the preceding fiscal year. A detailed budgetary comparison schedule for the fiscal year ended June 30, 2020 can be found in Required Supplementary Information.

During June 2019, the City adopted a General Fund budget of \$15,872,486 for General Fund expenditures (excluding transfers out) for FY2020. At the end of the fiscal year, the final actual expenditures were \$14,818,245 (excluding transfers out) which was a decrease of \$1,054,241 from the original adopted budget. The final amended budget expenditures were \$14,894,000 (excluding transfers). The difference between the original budget and the final amended budget is an overall decrease of \$978,486.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

**June 30, 2020**

**City of Acworth, Georgia**

Primary Reasons for the differences between final budget and actual results in the General Fund include:

Revenues:

- Intergovernmental Receivables were 51% less than final projections due to the timing of grant funds.
- Contributions and Donations were 5% more than final projections.

Expenditures:

- In March 2020, the City issued a declaration of emergency in response to the COVID-19 global pandemic. A concerted effort was made to reduce spending to only necessary expenditures which resulted in a positive variance in final budget versus actual results.

**Capital Assets and Debt Administration**

*Capital Assets.* The City of Acworth’s investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$65,919,301 and \$6,144,546 respectively. These are net of accumulated depreciation and related debt. This investment includes land, buildings, vehicles and equipment as well as infrastructure.

| <b>2020 Capital Assets<br/>(Net of Depreciation)</b> |                         |                      |                          |                     |                      |                      |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|  | Governmental Activities |                      | Business-type Activities |                     | Total                |                      |
|  | 2020                    | 2019                 | 2020                     | 2019                | 2020                 | 2019                 |
| Construction in Progress                             | \$ 930,725              | \$ 4,754,537         | \$ 20,711                | \$ -                | \$ 951,436           | \$ 4,754,537         |
| Land   | 7,078,249               | 7,218,671            | 202,408                  | 202,408             | 7,280,657            | 7,421,079            |
| Buildings and Improvements                           | 19,835,240              | 20,273,092           | 19,718                   | 23,491              | 19,854,958           | 20,296,583           |
| Electrical System                                    | -                       | -                    | 5,130,313                | 4,541,205           | 5,130,313            | 4,541,205            |
| Improvements other than buildings                    | 7,843,902               | 8,148,605            | 28,642                   | 34,854              | 7,872,544            | 8,183,459            |
| Intangible Assets                                    | 55,396                  | 72,632               | -                        | -                   | 55,396               | 72,632               |
| Vehicles and Equipment                               | 2,637,308               | 3,032,017            | 742,754                  | 748,586             | 3,380,062            | 3,780,603            |
| Infrastructure                                       | 27,538,481              | 22,210,195           | -                        | -                   | 27,538,481           | 22,210,195           |
| <b>Total</b>   | <b>\$ 65,919,301</b>    | <b>\$ 65,709,749</b> | <b>\$ 6,144,546</b>      | <b>\$ 5,550,544</b> | <b>\$ 72,063,847</b> | <b>\$ 71,260,293</b> |

Major capital assets additions during the current fiscal year included the following:

Governmental activities:

- Infrastructure \$6,682,808 including the Downtown Pedestrian Bridge, North Main Street Resurfacing, and Mitchell Hill improvements.
- Construction in Progress – Infrastructure - \$537,096 Robinson Road Improvements.
- Buildings – Durr Field - \$379,216.
- Public Safety Vehicles and Equipment - \$219,532.
- Culture and Recreation Vehicles and Equipment - \$95,520.
- Police Software - \$287,722.

Business-type activities:

- Electrical Infrastructure - \$977,126.
- Power Vehicles and Equipment - \$93,291.
- Sanitation Vehicle and Equipment - \$207,456.

The City intends to capitalize infrastructure assets and depreciate them over the estimated useful life. Additional information on the City’s capital assets can be found in Note 7 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

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### Long-term Debt.

At the end of 2020 fiscal year, the City had \$19,126,618 in outstanding long-term debt. This is a decrease of \$1,280,204 compared to the prior year. State Statute limits the amount of general obligation debt a government entity may issue to 10% of the total tax digest. The current debt limitation for the City is \$88,680,318 which is in excess of the City's outstanding general obligation debt.

Debt outstanding at June 30, 2020 is as follows:

- Tax Allocation District Bonds - \$2,845,000
- Acworth Downtown Development Authority – City Hall / Sports Complex - \$1,080,000
- Acworth Downtown Development Authority – Revenue Bonds - \$4,990,000
- Acworth Downtown Development Authority – Series 2017 Bonds - \$6,735,000
- Installment Sales Agreement through Georgia Municipal Association - \$2,537,698
- Capital Leases – Vehicles and equipment - \$525,204
- IGA Cobb County – SPLOST - \$413,716

More detailed information about the City's long-term liabilities is included in Note 8 to the financial statements.

### Economic Factors Affecting the City of Acworth

The Mayor and Board of Aldermen considered many factors when adopting the fiscal year ending June 30, 2021 budget. These factors have a significant effect on the City's financial position or results of operations. Key assumptions are as follows:

- Budget adopted for the General Fund estimates expenditures in the amount of \$17,349,708. The expected unassigned fund balance for the General Fund at the end of the FY2021 to remain relatively unchanged at \$4.7 million.
- Transfers out for debt service was budgeted at \$737,730.
- The millage rate is adopted in July of each year for the operations and maintenance in General Fund. The millage rate for fiscal year 2020 remained at 7.60. The adopted budget for FY 2021 has the millage rate adjusted to 8.95.
- The 2019 taxable digest was \$795,336,415; which was 4% higher than the prior year. The budget is adopted in June and the approved digest is received shortly thereafter. The 2020 approved taxable digest increased just over 7.5%. Property taxes are a primary revenue stream and also subject to changes based on reassessments and development.
- The 2020 population is estimated at 25,997 by the Acworth Economic Development Department. This is an increase of approximately 27% from the 2010 census of 20,425.
- SPLOST (2016) projects include parks and recreation facilities, public works infrastructure, and public safety needs.
- As a MEAG participant, Acworth Power is part of the Plant Vogtle project expansion to be completed in the next few years. Acworth power is continuing to defer funds for the City's portion related to the expansion for future use.
- Debt service payments for debt issued through the Acworth Downtown Development Authority via intergovernmental agreements between the City and the Acworth Downtown Development Authority are made via transfers from the General and Power Funds for the following:
  - CableNET Project - Mature July 2028; interest rate of 2.10% - 06/30/2020 balance \$4,990,000.
  - Acworth City Hall/Sports Complex - Mature April 2023; interest rate of 1.74% - 06/30/2020 balance \$1,080,000.
  - City of Acworth Street Project - Mature July 2031; interest rate 2.25% - 06/30/2020 balance \$6,735,000.
- Debt service payments in the General Fund are related to the Court/Jail Services renovation/addition and mature 01/07/2029 with an interest rate of 2.39% - 06/30/2020 balance \$2,537,698.
- Debt service payments related to the Tax Allocation District Bonds are made from the tax increment within the district and mature 12/1/2025 with an interest rate of 2.54% - 06/30/2020 balance \$2,845,000.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2020

City of Acworth, Georgia

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Given the economic times facing everyone, the City continues to take steps to reduce expenditures and control operational costs. By doing so, the City has maintained a positive fund balance.

### **Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances, comply with finance related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Acworth City Hall at 4415 Center Street, Acworth, Georgia 30101.

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# **BASIC FINANCIAL STATEMENTS**

**CITY OF ACWORTH, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

|  | Primary Government      |                          |                      | Component Unit                   |
|--|-------------------------|--------------------------|----------------------|----------------------------------|
|  | Governmental Activities | Business-type Activities | Total                | Acworth Tourism Bureau Authority |
| <b>Assets:</b>                                 |                         |                          |                      |                                  |
| Cash and cash equivalents                      | \$ 3,359,103            | \$ 7,421,337             | \$ 10,780,440        | \$ -                             |
| Investments                                    | 2,805,609               | 3,242,679                | 6,048,288            | -                                |
| Receivables, net                               | 97,266                  | 1,799,798                | 1,897,064            | -                                |
| Due from other governments                     | 977,160                 | -                        | 977,160              | 16,606                           |
| Due from primary government                    | -                       | -                        | -                    | 101,544                          |
| Internal balances                              | (248,313)               | 248,313                  | -                    | -                                |
| Inventories                                    | -                       | 738,803                  | 738,803              | -                                |
| Prepaid items                                  | 723,416                 | 26,024                   | 749,440              | 1,667                            |
| Restricted assets                              | 8,232,672               | 9,730,572                | 17,963,244           | -                                |
| Capital assets, non depreciated                | 8,008,974               | 223,119                  | 8,232,093            | -                                |
| Capital assets, depreciated, net               | 57,910,327              | 5,921,427                | 63,831,754           | -                                |
| <b>Total assets</b>                            | <b>81,866,214</b>       | <b>29,352,072</b>        | <b>111,218,286</b>   | <b>119,817</b>                   |
| <b>Deferred outflows of resources:</b>         |                         |                          |                      |                                  |
| Related to OPEB                                | 4,348,640               | 1,682,761                | 6,031,401            | -                                |
| Related to pensions                            | 1,779,043               | 465,105                  | 2,244,148            | -                                |
| <b>Total deferred outflows of resources</b>    | <b>6,127,683</b>        | <b>2,147,866</b>         | <b>8,275,549</b>     | <b>-</b>                         |
| <b>Liabilities:</b>                            |                         |                          |                      |                                  |
| Accounts payable and other current liabilities | 1,031,919               | 794,676                  | 1,826,595            | 21                               |
| Due to component unit                          | 101,544                 | -                        | 101,544              | -                                |
| Due to other governments                       | 79,848                  | -                        | 79,848               | -                                |
| Customer deposits                              | -                       | 1,278,490                | 1,278,490            | -                                |
| Unearned revenue                               | 314,253                 | -                        | 314,253              | -                                |
| Noncurrent liabilities:                        |                         |                          |                      |                                  |
| Due within one year:                           |                         |                          |                      |                                  |
| Long-term obligations                          | 2,389,619               | 265,512                  | 2,655,131            | -                                |
| Due in more than one year:                     |                         |                          |                      |                                  |
| Net pension liability                          | 4,307,882               | 1,126,230                | 5,434,112            | -                                |
| Total OPEB liability                           | 15,554,550              | 6,019,029                | 21,573,579           | -                                |
| Long-term obligations                          | 16,666,355              | 265,491                  | 16,931,846           | -                                |
| <b>Total liabilities</b>                       | <b>40,445,970</b>       | <b>9,749,428</b>         | <b>50,195,398</b>    | <b>21</b>                        |
| <b>Deferred inflows of resources:</b>          |                         |                          |                      |                                  |
| Deferred regulatory credits                    | -                       | 6,043,784                | 6,043,784            | -                                |
| Related to OPEB                                | 1,386,673               | 536,590                  | 1,923,263            | -                                |
| Related to pensions                            | 31,793                  | 8,312                    | 40,105               | -                                |
| <b>Total deferred inflows of resources</b>     | <b>1,418,466</b>        | <b>6,588,686</b>         | <b>8,007,152</b>     | <b>-</b>                         |
| <b>Net position:</b>                           |                         |                          |                      |                                  |
| Net investment in capital assets               | 55,135,519              | 5,556,737                | 60,692,256           | -                                |
| Restricted for:                                |                         |                          |                      |                                  |
| Capital projects                               | 1,769,371               | -                        | 1,769,371            | -                                |
| Public works                                   | 2,826,341               | -                        | 2,826,341            | -                                |
| Culture and recreation                         | 551,436                 | -                        | 551,436              | 119,796                          |
| Public safety                                  | 802,419                 | -                        | 802,419              | -                                |
| Voter appropriation                            | 3,000,000               | -                        | 3,000,000            | -                                |
| Unrestricted                                   | (17,955,625)            | 9,605,087                | (8,350,538)          | -                                |
| <b>Total net position</b>                      | <b>\$ 46,129,461</b>    | <b>\$ 15,161,824</b>     | <b>\$ 61,291,285</b> | <b>\$ 119,796</b>                |

See accompanying notes to financial statements.

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

See accompanying notes to financial statements.

| Functions/Programs                                    | Expenses      | Program Revenues        |  |  | Net (Expense) Revenue and<br>Change in Net Position |                             |                | Component Unit<br>Acworth Tourism<br>Bureau Authority |
|---|---------------|-------------------------|--|--|---|-----------------------------|----------------|---|
|   |               | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Primary Government                                  |                             |                |   |
|   |               |                         |  |  | Governmental<br>Activities                          | Business-type<br>Activities | Total          |   |
| <b>Primary Government</b>                             |               |                         |  |  |   |                             |                |   |
| Governmental activities:                              |               |                         |  |  |   |                             |                |   |
| General government                                    | \$ 3,726,208  | \$ 378,349              | \$ -                                     | \$ -                                   | \$ (3,347,859)                                      | \$ -                        | \$ (3,347,859) |   |
| Public safety   | 8,270,258     | 685,013                 | 42,010                                   | 335,104                                | (7,208,131)   | -                           | (7,208,131)    |   |
| Public works  | 4,743,149     | 27,990                  | -  | 4,893,913                              | 178,754   | -                           | 178,754        |   |
| Health and welfare                                    | 651           | -                       | -  | -                                      | (651)   | -                           | (651)          |   |
| Housing and development                               | 1,170,723     | 334,626                 | -  | -                                      | (836,097)   | -                           | (836,097)      |   |
| Judicial  | 465,586       | 892,583                 | -  | -                                      | 426,997   | -                           | 426,997        |   |
| Culture and recreation                                | 4,526,274     | 660,029                 | 62,684                                   | 2,664,821                              | (1,138,740)   | -                           | (1,138,740)    |   |
| Interest & fiscal charges<br>on long-term debt        | 675,241       | -                       | -  | -                                      | (675,241)   | -                           | (675,241)      |   |
| Total governmental activities                         | 23,578,090    | 2,978,590               | 104,694                                  | 7,893,838                              | (12,600,968)  | -                           | (12,600,968)   |   |
| Business-type activities:                             |               |                         |  |  |   |                             |                |   |
| Electric  | 11,778,042    | 13,342,346              | -  | 17,752                                 | -   | 1,582,056                   | 1,582,056      |   |
| Sanitation  | 1,520,443     | 2,015,288               | -  | -                                      | -   | 494,845                     | 494,845        |   |
| Total business-type activities                        | 13,298,485    | 15,357,634              | -  | 17,752                                 | -   | 2,076,901                   | 2,076,901      |   |
| Total Primary Government                              | \$ 36,876,575 | \$ 18,336,224           | \$ 104,694                               | \$ 7,911,590                           | (12,600,968)  | 2,076,901                   | (10,524,067)   |   |
| <b>Component Unit</b>                                 | \$ 70,065     | \$ -                    | \$ 80,074                                | \$ -                                   |   |                             |                | \$ 10,009   |
| General Revenues:                                     |               |                         |  |  |   |                             |                |   |
| Property taxes  |               |                         |  |  | 6,642,549   | -                           | 6,642,549      | -   |
| Insurance premium tax                                 |               |                         |  |  | 1,558,478   | -                           | 1,558,478      | -   |
| Alcohol taxes   |               |                         |  |  | 533,841   | -                           | 533,841        | -   |
| Hotel/motel tax                                       |               |                         |  |  | 296,014   | -                           | 296,014        | -   |
| Franchise taxes                                       |               |                         |  |  | 1,509,857   | -                           | 1,509,857      | -   |
| Financial institution tax                             |               |                         |  |  | 46,044  | -                           | 46,044         | -   |
| Business taxes  |               |                         |  |  | 658,818   | -                           | 658,818        | -   |
| Contributions not restricted to a specific program    |               |                         |  |  | 655,739   | -                           | 655,739        | -   |
| Operating grants not restricted to a specific program |               |                         |  |  | 464,378   | -                           | 464,378        | -   |
| Gain on sale of capital assets                        |               |                         |  |  | 301,892   | -                           | 301,892        | -   |
| Unrestricted investment earnings                      |               |                         |  |  | 145,372   | 198,843                     | 344,215        | -   |
| Miscellaneous   |               |                         |  |  | -   | 25                          | 25             | -   |
| Transfers   |               |                         |  |  | 1,923,672   | (1,923,672)                 | -              | -   |
| Total general revenues and transfers                  |               |                         |  |  | 14,736,654  | (1,724,804)                 | 13,011,850     | -   |
| Change in net position                                |               |                         |  |  | 2,135,686   | 352,097                     | 2,487,783      | 10,009  |
| Net position - beginning                              |               |                         |  |  | 43,993,775  | 14,809,727                  | 58,803,502     | 109,787   |
| Net position - ending                                 |               |                         |  |  | \$ 46,129,461                                       | \$ 15,161,824               | \$ 61,291,285  | \$ 119,796  |

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

|  | General<br>Fund     | SPLOST              | Non-Major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|---------------------|------------------------------------|--------------------------------|
| <b>Assets:</b>   |                     |                     |                                    |                                |
| Cash and cash equivalents  | \$ 3,359,103        | \$ -                | \$ -                               | \$ 3,359,103                   |
| Investments  | 2,795,936           | -                   | 9,673                              | 2,805,609                      |
| Receivables, net   | 96,836              | -                   | 430                                | 97,266                         |
| Due from other governments   | 18,964              | 812,977             | 145,219                            | 977,160                        |
| Due from other funds   | 40,238              | -                   | 575,046                            | 615,284                        |
| Prepaid items  | 325,252             | -                   | 55,944                             | 381,196                        |
| Restricted assets  | 3,221,867           | 3,770,382           | 1,240,423                          | 8,232,672                      |
| <b>Total assets</b>  | <b>\$ 9,858,196</b> | <b>\$ 4,583,359</b> | <b>\$ 2,026,735</b>                | <b>\$ 16,468,290</b>           |
| <b>Liabilities:</b>  |                     |                     |                                    |                                |
| Accounts payable   | \$ 267,991          | \$ 339,698          | \$ 44,496                          | \$ 652,185                     |
| Retainage payable  | -                   | 58,017              | -                                  | 58,017                         |
| Accrued liabilities  | 149,668             | -                   | -                                  | 149,668                        |
| Due to other governments   | -                   | -                   | 79,848                             | 79,848                         |
| Due to other funds   | 977,313             | -                   | 9,696                              | 987,009                        |
| Due to component unit  | 101,544             | -                   | -                                  | 101,544                        |
| Unearned revenue   | 293,909             | -                   | 20,344                             | 314,253                        |
| <b>Total liabilities</b>   | <b>1,790,425</b>    | <b>397,715</b>      | <b>154,384</b>                     | <b>2,342,524</b>               |
| <b>Deferred inflows of resources:</b>  |                     |                     |                                    |                                |
| Unavailable revenue  | 39,337              | -                   | -                                  | 39,337                         |
| <b>Fund balances:</b>  |                     |                     |                                    |                                |
| Nonspendable   | 325,252             | -                   | 55,944                             | 381,196                        |
| Restricted   | 3,005,122           | 4,185,644           | 1,358,921                          | 8,549,687                      |
| Committed  | 11,726              | -                   | -                                  | 11,726                         |
| Assigned   | 66,793              | -                   | 457,486                            | 524,279                        |
| Unassigned   | 4,619,541           | -                   | -                                  | 4,619,541                      |
| <b>Total fund balances</b>   | <b>8,028,434</b>    | <b>4,185,644</b>    | <b>1,872,351</b>                   | <b>14,086,429</b>              |
| <b>Total liabilities, deferred inflows<br/>of resources, and fund balances</b> | <b>\$ 9,858,196</b> | <b>\$ 4,583,359</b> | <b>\$ 2,026,735</b>                |                                |

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

|   |              |
|---|--------------|
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.  | 65,919,301   |
| Property tax revenue earned but unavailable is not reported in the funds.   | 39,337       |
| Deferred outflows of resources are not an available resource and, therefore, are not reported in the funds.   |              |
| Related to pensions   | 1,779,043    |
| Related to OPEB   | 4,348,640    |
| The Insurance Internal Service Fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund and a payable from the business-type activities are included in governmental activities in the statement of net position. | 293,583      |
| Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds:  |              |
| Unmatured bonds, leases, and contracts  | (18,709,883) |
| Deferred inflows of resources related to pensions   | (31,793)     |
| Deferred inflows of resources related to OPEB   | (1,386,673)  |
| Accrued compensated absences  | (346,091)    |
| Total OPEB liability  | (15,554,550) |
| Net pension liability   | (4,307,882)  |

|   |                      |
|---|----------------------|
| Net position of governmental activities | <u>\$ 46,129,461</u> |
|---|----------------------|

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

|  | General<br>Fund     | SPLOST              | Non-Major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|---------------------|------------------------------------|--------------------------------|
| <b>Revenues:</b>   |                     |                     |                                    |                                |
| Taxes  | \$ 11,220,009       | \$ -                | \$ 460,925                         | \$ 11,680,934                  |
| Licenses and permits   | 457,732             | -                   | -                                  | 457,732                        |
| Intergovernmental  | 62,351              | 4,727,729           | 1,071,038                          | 5,861,118                      |
| Charges for services   | 965,744             | -                   | 493,786                            | 1,459,530                      |
| Fines and forfeitures  | 892,583             | -                   | 18,849                             | 911,432                        |
| Investment earnings  | 126,343             | 12,310              | 19,029                             | 157,682                        |
| Contributions and donations  | 47,091              | -                   | -                                  | 47,091                         |
| Other  | 165,864             | -                   | 2,881                              | 168,745                        |
| <b>Total revenues</b>  | <b>13,937,717</b>   | <b>4,740,039</b>    | <b>2,066,508</b>                   | <b>20,744,264</b>              |
| <b>Expenditures:</b>   |                     |                     |                                    |                                |
| Current:   |                     |                     |                                    |                                |
| General government   | 2,934,492           | -                   | -                                  | 2,934,492                      |
| Public safety  | 6,020,034           | -                   | 524,696                            | 6,544,730                      |
| Public works   | 1,105,188           | -                   | 1,718                              | 1,106,906                      |
| Health and welfare   | 651                 | -                   | -                                  | 651                            |
| Housing and development  | 1,021,830           | -                   | 46,714                             | 1,068,544                      |
| Judicial   | 413,919             | -                   | -                                  | 413,919                        |
| Culture and recreation   | 2,945,811           | -                   | 190,243                            | 3,136,054                      |
| Capital outlay   | -                   | 2,661,071           | 730,539                            | 3,391,610                      |
| Debt service   | 376,320             | 78,000              | 2,019,736                          | 2,474,056                      |
| <b>Total expenditures</b>  | <b>14,818,245</b>   | <b>2,739,071</b>    | <b>3,513,646</b>                   | <b>21,070,962</b>              |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(880,528)</b>    | <b>2,000,968</b>    | <b>(1,447,138)</b>                 | <b>(326,698)</b>               |
| <b>Other financing sources (uses):</b>                               |                     |                     |                                    |                                |
| Transfers in   | 1,669,000           | -                   | 1,427,087                          | 3,096,087                      |
| Transfers out  | (753,547)           | -                   | (418,868)                          | (1,172,415)                    |
| Issuance of debt   | -                   | 375,000             | 5,515,000                          | 5,890,000                      |
| Insurance reimbursement  | -                   | 134,786             | -                                  | 134,786                        |
| Payment to refunded bond escrow agent                                | -                   | -                   | (5,388,963)                        | (5,388,963)                    |
| Sale of capital assets   | 73,856              | -                   | 266,250                            | 340,106                        |
| <b>Total other financing sources (uses)</b>                          | <b>989,309</b>      | <b>509,786</b>      | <b>1,400,506</b>                   | <b>2,899,601</b>               |
| <b>Net change in fund balance</b>                                    | <b>108,781</b>      | <b>2,510,754</b>    | <b>(46,632)</b>                    | <b>2,572,903</b>               |
| <b>Fund balance - beginning</b>                                      | <b>7,919,653</b>    | <b>1,674,890</b>    | <b>1,918,983</b>                   | <b>11,513,526</b>              |
| <b>Fund balance - ending</b>   | <b>\$ 8,028,434</b> | <b>\$ 4,185,644</b> | <b>\$ 1,872,351</b>                | <b>\$ 14,086,429</b>           |

See accompanying notes to financial statements.

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

Net change in fund balances - total governmental funds \$ 2,572,903

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

Some revenues in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.

Capital contributions 2,738,500

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.

|                            |                  |             |
|----------------------------|------------------|-------------|
| Depreciation expense       | (4,999,548)      |             |
| Capital outlay             | 2,643,600        |             |
| Loss on disposal of assets | <u>(173,000)</u> | (2,528,948) |

The issuance of long-term debt provides current financial resources and the repayment of principal on long-term debt consumes current financial resources in the governmental funds.

|                            |                  |           |
|----------------------------|------------------|-----------|
| Issuance of debt           | (5,890,000)      |           |
| Principal payments on debt | <u>7,187,778</u> | 1,297,778 |

The net effect of revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 5,448

The Insurance Internal Service Fund is used by management to charge the cost of insurance to individual funds. (158,064)

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 the governmental funds.

|   |                 |                    |
|---|-----------------|--------------------|
| Net pension liability and changes in related deferred inflows/outflows of resources | (310,564)       |                    |
| Total OPEB liability and changes in related deferred inflows/outflows of resources  | (1,422,347)     |                    |
| Accrued compensated absences  | <u>(59,020)</u> | <u>(1,791,931)</u> |

Change in net position of governmental activities \$ 2,135,686

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

|  | Enterprise Funds     |                     |                      | Internal<br>Service Funds |
|--|----------------------|---------------------|----------------------|---------------------------|
|  | Major                |                     |                      |                           |
|  | Electrical<br>Power  | Sanitation          | Totals               |                           |
| <b>Assets:</b>   |                      |                     |                      |                           |
| Current assets:  |                      |                     |                      |                           |
| Cash   | \$ 6,301,209         | \$ 1,010,894        | \$ 7,312,103         | \$ 109,234                |
| Investments  | 3,242,679            | -                   | 3,242,679            | -                         |
| Receivables, net   |                      |                     |                      |                           |
| Utility accounts   | 1,644,793            | 154,900             | 1,799,693            | -                         |
| Other  | -                    | -                   | -                    | 105                       |
| Due from other funds   | 233,044              | 306,290             | 539,334              | 277,301                   |
| Inventory  | 738,803              | -                   | 738,803              | -                         |
| Prepaid items  | 22,534               | -                   | 22,534               | 345,710                   |
| Restricted assets:   |                      |                     |                      |                           |
| Cash   | 1,241,213            | -                   | 1,241,213            | -                         |
| Investments  | 8,489,359            | -                   | 8,489,359            | -                         |
| Total current assets   | <u>21,913,634</u>    | <u>1,472,084</u>    | <u>23,385,718</u>    | <u>732,350</u>            |
| Noncurrent assets:   |                      |                     |                      |                           |
| Property, plant and equipment, net   | 5,563,452            | 579,182             | 6,142,634            | 1,912                     |
| Total assets   | <u>27,477,086</u>    | <u>2,051,266</u>    | <u>29,528,352</u>    | <u>734,262</u>            |
| <b>Deferred outflows of resources:</b>   |                      |                     |                      |                           |
| Related to pensions  | 260,936              | 120,288             | 381,224              | 83,881                    |
| Related to OPEB  | 1,109,778            | 572,983             | 1,682,761            | -                         |
| Total deferred outflows of resources   | <u>1,370,714</u>     | <u>693,271</u>      | <u>2,063,985</u>     | <u>83,881</u>             |
| <b>Liabilities:</b>  |                      |                     |                      |                           |
| Current liabilities:   |                      |                     |                      |                           |
| Accounts and claims payable  | 746,631              | 26,436              | 773,067              | 178,779                   |
| Accrued liabilities  | 7,452                | 4,281               | 11,733               | 3,146                     |
| Accrued compensated absences   | 57,524               | 18,107              | 75,631               | 15,783                    |
| Due to other funds   | 385,328              | 57,339              | 442,667              | 2,243                     |
| Capital lease obligations  | 83,572               | 90,526              | 174,098              | -                         |
| Customer deposits  | 977,741              | 300,749             | 1,278,490            | -                         |
| Total current liabilities  | <u>2,258,248</u>     | <u>497,438</u>      | <u>2,755,686</u>     | <u>199,951</u>            |
| Long-term liabilities (net of current portion):  |                      |                     |                      |                           |
| Accrued compensated absences   | 14,381               | 4,527               | 18,908               | 3,946                     |
| Total OPEB liability   | 3,969,539            | 2,049,490           | 6,019,029            | -                         |
| Net pension liability  | 631,845              | 291,271             | 923,116              | 203,114                   |
| Capital lease obligations  | 48,903               | 193,734             | 242,637              | -                         |
| Total long-term liabilities  | <u>4,664,668</u>     | <u>2,539,022</u>    | <u>7,203,690</u>     | <u>207,060</u>            |
| Total liabilities  | <u>6,922,916</u>     | <u>3,036,460</u>    | <u>9,959,376</u>     | <u>407,011</u>            |
| <b>Deferred inflows of resources:</b>  |                      |                     |                      |                           |
| Deferred regulatory credits  | 6,043,784            | -                   | 6,043,784            | -                         |
| Related to pensions  | 4,663                | 2,150               | 6,813                | 1,499                     |
| Related to OPEB  | 353,880              | 182,710             | 536,590              | -                         |
| Total deferred inflows of resources  | <u>6,402,327</u>     | <u>184,860</u>      | <u>6,587,187</u>     | <u>1,499</u>              |
| <b>Net Position:</b>   |                      |                     |                      |                           |
| Net investment in capital assets   | 5,261,815            | 294,922             | 5,556,737            | 1,912                     |
| Unrestricted   | 10,260,742           | (771,705)           | 9,489,037            | 407,721                   |
| Total net position   | <u>\$ 15,522,557</u> | <u>\$ (476,783)</u> | <u>15,045,774</u>    | <u>\$ 409,633</u>         |
| Adjustment to reflect the consolidation of internal service<br>fund activities related to the enterprise funds |                      |                     | <u>116,050</u>       |                           |
| <b>Net position of business-type activities</b>  |                      |                     | <u>\$ 15,161,824</u> |                           |

See accompanying notes to financial statements.

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

|  | Enterprise Funds     |                     |                    | Internal<br>Service Funds |
|--|----------------------|---------------------|--------------------|---------------------------|
|  | Major                |                     | Totals             |                           |
|  | Electrical<br>Power  | Sanitation          |                    |                           |
| <b>Operating revenues:</b>   |                      |                     |                    |                           |
| Charges for services   | \$ 12,960,163        | \$ 2,015,288        | \$ 14,975,451      | \$ 4,204,650              |
| Other  | 382,183              | -                   | 382,183            | 30,706                    |
| <b>Total operating revenues</b>  | <b>13,342,346</b>    | <b>2,015,288</b>    | <b>15,357,634</b>  | <b>4,235,356</b>          |
| <b>Operating expenses:</b>   |                      |                     |                    |                           |
| Personal services  | 2,446,558            | 550,505             | 2,997,063          | 523,461                   |
| Operating  | 8,898,703            | 823,763             | 9,722,466          | 3,734,771                 |
| Depreciation   | 561,938              | 141,595             | 703,533            | 1,050                     |
| <b>Total operating expenses</b>  | <b>11,907,199</b>    | <b>1,515,863</b>    | <b>13,423,062</b>  | <b>4,259,282</b>          |
| <b>Operating income</b>  | <b>1,435,147</b>     | <b>499,425</b>      | <b>1,934,572</b>   | <b>(23,926)</b>           |
| <b>Nonoperating revenues (expenses):</b>   |                      |                     |                    |                           |
| Interest income  | 198,843              | -                   | 198,843            | -                         |
| Interest expense   | (4,981)              | (4,580)             | (9,561)            | -                         |
| Miscellaneous  | 15                   | 10                  | 25                 | -                         |
| <b>Total nonoperating revenues (expenses)</b>  | <b>193,877</b>       | <b>(4,570)</b>      | <b>189,307</b>     | <b>-</b>                  |
| <b>Income before contributions and transfers</b>   | <b>1,629,024</b>     | <b>494,855</b>      | <b>2,123,879</b>   | <b>(23,926)</b>           |
| <b>Capital contributions</b>   | <b>17,752</b>        | <b>-</b>            | <b>17,752</b>      | <b>-</b>                  |
| <b>Transfers out</b>   | <b>(1,575,145)</b>   | <b>(219,557)</b>    | <b>(1,794,702)</b> | <b>(128,970)</b>          |
| <b>Increase (decrease) in net position</b>   | <b>71,631</b>        | <b>275,298</b>      | <b>346,929</b>     | <b>(152,896)</b>          |
| <b>Net position at beginning of year</b>   | <b>15,450,926</b>    | <b>(752,081)</b>    |                    | <b>562,529</b>            |
| <b>Net position at end of year</b>   | <b>\$ 15,522,557</b> | <b>\$ (476,783)</b> |                    | <b>\$ 409,633</b>         |
| Adjustment to reflect the consolidation of internal service<br>fund activities related to enterprise funds |                      |                     | 5,168              |                           |
| <b>Change in net position of business-type activities</b>  |                      |                     | <b>\$ 352,097</b>  |                           |

See accompanying notes to financial statements.

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

|   | Enterprise Funds    |                     |                     | Internal<br>Service Funds |
|---|---------------------|---------------------|---------------------|---------------------------|
|   | Major               |                     | Totals              |                           |
|   | Electrical<br>Power | Sanitation          |                     |                           |
| <b>Cash flows from (to) operating activities:</b>                               |                     |                     |                     |                           |
| Cash received from contributions and services provided                          | \$ 13,525,760       | \$ 2,015,339        | \$ 15,541,099       | \$ 4,399,223              |
| Cash payments for goods and services  | (6,977,018)         | (597,313)           | (7,574,331)         | (97,512)                  |
| Cash payments for benefits and claims   | -                   | -                   | -                   | (3,628,718)               |
| Cash payments for employee services and fringe benefits                         | (1,559,028)         | (739,312)           | (2,298,340)         | (526,133)                 |
| <b>Net cash from (to) operating activities</b>                                  | <b>4,989,714</b>    | <b>678,714</b>      | <b>5,668,428</b>    | <b>146,860</b>            |
| <b>Cash flows from (to) noncapital financing activities:</b>                    |                     |                     |                     |                           |
| Transfers out   | (1,575,145)         | (219,557)           | (1,794,702)         | (128,970)                 |
| <b>Net cash from (to) noncapital financing activities</b>                       | <b>(1,575,145)</b>  | <b>(219,557)</b>    | <b>(1,794,702)</b>  | <b>(128,970)</b>          |
| <b>Cash flows from (to) capital and related financing activities:</b>           |                     |                     |                     |                           |
| Contributed capital   | 17,752              | -                   | 17,752              | -                         |
| Proceeds from sale of capital assets  | 15                  | 10                  | 25                  | -                         |
| Interest paid   | (4,981)             | (4,580)             | (9,561)             | -                         |
| Payments for capital acquisitions   | (1,091,129)         | (11,634)            | (1,102,763)         | -                         |
| Principal payments on long-term obligations                                     | (89,861)            | (88,387)            | (178,248)           | -                         |
| <b>Net cash from (to) capital and related financing activities</b>              | <b>(1,168,204)</b>  | <b>(104,591)</b>    | <b>(1,272,795)</b>  | <b>-</b>                  |
| <b>Cash flows from (to) investing activities:</b>                               |                     |                     |                     |                           |
| (Purchases) proceeds from sale of investments                                   | (1,203,023)         | -                   | (1,203,023)         | -                         |
| Interest received from investments  | 198,843             | -                   | 198,843             | -                         |
| <b>Net cash from (to) investing activities</b>                                  | <b>(1,004,180)</b>  | <b>-</b>            | <b>(1,004,180)</b>  | <b>-</b>                  |
| <b>Net increase (decrease) in cash</b>  | <b>1,242,185</b>    | <b>354,566</b>      | <b>1,596,751</b>    | <b>17,890</b>             |
| <b>Cash at beginning of year (including<br/>\$1,249,450 in restricted cash)</b> | <b>6,300,237</b>    | <b>656,328</b>      | <b>6,956,565</b>    | <b>91,344</b>             |
| <b>Cash at end of year (including<br/>\$1,241,213 in restricted cash)</b>       | <b>\$ 7,542,422</b> | <b>\$ 1,010,894</b> | <b>\$ 8,553,316</b> | <b>\$ 109,234</b>         |

See accompanying notes to financial statements.  
Continued on next page.

**CITY OF ACWORTH, GEORGIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS (CONT'D)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|   | Enterprise Funds    |                   |                     | Internal<br>Service Funds |
|---|---------------------|-------------------|---------------------|---------------------------|
|   | Major               |                   |                     |                           |
|   | Electrical<br>Power | Sanitation        | Totals              |                           |
| <b>Reconciliation of operating income (loss)<br/>to net cash from operating activities:</b> |                     |                   |                     |                           |
| Operating income (loss)   | \$ 1,435,147        | \$ 499,425        | \$ 1,934,572        | \$ (23,926)               |
| Adjustments to reconcile operating income to net<br>cash to operating activities:           |                     |                   |                     |                           |
| Depreciation  | 561,938             | 141,595           | 703,533             | 1,050                     |
| Change in assets and liabilities:   |                     |                   |                     |                           |
| (Increase) decrease in accounts receivable  | 180,755             | (5,508)           | 175,247             | 2,926                     |
| (Increase) decrease in due from other funds   | 991,108             | 212,110           | 1,203,218           | 160,941                   |
| (Increase) decrease in inventory  | 93,297              | -                 | 93,297              | -                         |
| (Increase) decrease in prepaid items  | 6,451               | -                 | 6,451               | (19,784)                  |
| (Increase) decrease in deferred outflows of resources                                       | (1,230,902)         | (625,102)         | (1,856,004)         | (41,602)                  |
| Increase (decrease) in accounts payable   | 116,924             | 5,565             | 122,489             | 26,082                    |
| Increase (decrease) in accrued liabilities  | (33,012)            | (8,271)           | (41,283)            | (5,264)                   |
| Increase (decrease) in due to other funds   | (95,825)            | 8,775             | (87,050)            | 2,243                     |
| Increase (decrease) in customer deposits  | 2,659               | 5,559             | 8,218               | -                         |
| Increase (decrease) in total OPEB liability   | 2,023,639           | 492,770           | 2,516,409           | -                         |
| Increase (decrease) in net pension liability  | 194,430             | 84,309            | 278,739             | 64,727                    |
| Increase (decrease) in deferred inflows of resources  | 743,105             | (132,513)         | 610,592             | (20,533)                  |
| <b>Net cash from (to) operating activities</b>  | <b>\$ 4,989,714</b> | <b>\$ 678,714</b> | <b>\$ 5,668,428</b> | <b>\$ 146,860</b>         |
| <b>Supplemental disclosure of noncash investing and financing activities:</b>               |                     |                   |                     |                           |
| Equipment purchased through capital lease   | \$ -                | \$ 195,822        | \$ 195,822          | \$ -                      |

See accompanying notes to financial statements.  
Continued from previous page.

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

The accounting methods and procedures adopted by the City of Acworth, Georgia (the City), conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City was created in 1860 and operates under an elected Mayor/Council (Board of Aldermen) form of government. The City's major operations include public safety, culture-recreation, regulation and control of the electrical power system, highways and streets, sanitation, public improvements, planning and zoning, and general administrative services.

The financial statements of the reporting entity include those of the City of Acworth (the primary government) and in accordance with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 61 "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34," the financial statements of its component units. The component units discussed below are included in the reporting entity because of the financial relationship with the City.

The fiscal year ended of the component units is June 30. The component units do not issue separate Component Unit Financial Statements. A brief description of the City's component units is as follows:

**Blended Component Units**

**Acworth Downtown Development Authority:** The Acworth Downtown Development Authority was created by the City of Acworth, pursuant to the resolution of the Georgia General Assembly on January 15, 1981. The purpose of the Authority is the redevelopment of the downtown Acworth district. The City Board of Aldermen appoint all members of the Authority and has provided a majority of the resources for current year expenditures of the Authority. Additionally, the debt of the entity is expected to be repaid with City resources.

**Acworth Lake Authority:** The Acworth Lake Authority was created by the City of Acworth, pursuant to the resolution of the Georgia General Assembly on February 19, 1951. The purpose of the Authority is to develop Lake Acworth shore and adjoining land areas as a public park, providing recreational facilities for citizens. The City Board of Aldermen appoint a majority of the members of the Authority and provided the resources for all of the expenditures of the Authority. Additionally, the debt of the entity is expected to be repaid with City resources.

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

Discretely Presented Component Unit

Acworth Tourism Bureau Authority: The Acworth Tourism Bureau Authority was created by the City of Acworth, pursuant to the resolution of the Georgia General Assembly. The purpose of the Authority is to promote tourism, conventions, and trade shows within the area.

The City Board of Aldermen appoint all members of the Authority and the City is able to impose its will on the Authority.

Related Organizations: The Acworth Housing Authority and the Special Needs Development Group are related organizations which have not been included in the reporting entity. The Authority, which is managed by the Marietta Housing Authority, provides low-income housing to eligible families in the City. The Development Group provides funding for special needs parks. The Authority's board consists of 5 members appointed by the City Board of Aldermen. The Development Group's board consists of 8 members of which 3 are appointed by the City. The City does not have the ability to impose its will or have a financial benefit or burden relationship with the organizations. The debts of the organizations are not secured by the City and deficits are not financed by the City. No budgetary or financial relationship exists between the City and the organizations.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, 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 *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

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

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

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.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers all revenues except intergovernmental revenue to be available if they are collected within 60 days of the end of the current fiscal period. Intergovernmental revenue is considered available if it is collected within 6 months after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when a payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST Fund - The SPLOST fund is used to account for the proceeds of a 1 percent special purpose local option sales tax approved by voter referendum for various projects throughout the City.

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

The City reports the following major proprietary funds:

Electrical Power Fund - The Electrical Power Fund accounts for the operations of the City's electric distribution services.

Sanitation Fund –The Sanitation Fund accounts for the City's solid waste sanitation services.

Additionally, the City reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Project Funds – Capital Project Funds are used to account for financial resources that are restricted for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund – The Debt Service Fund is used to accumulate resources that are restricted, committed, or assigned for the principal and interest payments on long-term obligations of the governmental funds.

Internal Service Funds - The Internal Service Funds account for services performed by a central service department for other departments or agencies of the governmental unit. The City has a Customer Service Internal Service Fund which performs customer service functions relating to the Electrical Power Fund, Sanitation Fund, and General Fund. The City also has an Insurance Internal Service Fund which is used to charge the cost of workers' compensation and health insurance to the various City departments.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's electric, sanitation 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. 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. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on

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

capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. Budgets and Budgetary Accounting**

Detailed information pertaining to the budget is included in the Required Supplementary Information section on page 69, 70.

**E. Cash and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, cash and cash equivalents include restricted and unrestricted amounts in demand deposits.

Investments are stated at fair value. Statutes authorize the City to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc., non-negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association, repurchase agreements when collateralized by U.S. Government or agency obligations, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The City's investments include Georgia Fund 1. Georgia Fund 1 is managed by the Office of State Treasurer. The entire portfolio, including the City's pro-rata portion, consists of collateralized certificates of deposit and government or governmental agency securities owned outright and under agreement to resell. The reported value of Georgia Fund 1 is the same as the fair value of the pool shares.

The City invests in an external investment pool, the Municipal Competitive Trust, which is administered by the Municipal Electric Authority of Georgia ("MEAG"), a governmental entity. The City is a beneficiary of this trust. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia. The fair value of the City's position in the pool changes with market conditions, and is calculated based on the fair value of net assets held in the pool at the close of each business day.

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

**F. Short-Term/Long-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds.”

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Noncurrent portions of long-term interfund loan receivables are reported as advances.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

**G. Inventories**

Inventories are valued at cost using the first in/first out (FIFO) method. Inventory in the Enterprise Funds consists of expendable supplies held for consumption and items needed for repairs or improvements to the utility system. The purchase method is used to account for inventories within the City's Enterprise Funds. There are no inventories in the Governmental Funds.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the current fiscal period are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's funds.

**I. 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.

GASBS No. 34 requires the City to report and depreciate infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The City implemented the retroactive infrastructure provisions for all infrastructure assets.

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

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are reported at acquisition value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The capitalization threshold for capital assets is \$2,500.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on an estimated useful life as follows:

|                                      | Electrical<br>Power<br>Fund | Sanitation<br>Fund | Customer<br>Service<br>Fund | Governmental<br>Activities |
|--------------------------------------|-----------------------------|--------------------|-----------------------------|----------------------------|
| Buildings                            | 10-20 years                 | -                  | -                           | 5-40 years                 |
| Improvements other<br>than buildings | 7-30 years                  | -                  | -                           | 7-30 years                 |
| Intangible assets                    | -                           | -                  | -                           | 10 years                   |
| Electrical utility system            | 25 years                    | -                  | -                           | -                          |
| Vehicles and equipment               | 3-10 years                  | 2-10 years         | 2-5 years                   | 2-15 years                 |
| Infrastructure                       | -                           | -                  | -                           | 20-25 years                |

**J. Compensated Absences**

Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide and proprietary financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. A liability in the governmental funds is reported only if the benefit has matured.

Accumulated sick pay benefits for City employees have not been recorded as a liability because the payment of the benefits is contingent upon the future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

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

**K. Long-Term Obligations**

In the government-wide financial statements, and proprietary funds 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 statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method straight-line basis. Bonds payable are reported net of the applicable bond premium or discount.

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

**L. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. They are the deferred outflow relating to pensions and deferred outflow relating to OPEB reported in the government wide statement of net position and the proprietary funds statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a 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. They are the deferred inflows related to pensions, deferred inflows related to OPEB and the MEAG deferred regulatory credits in the government wide statement of net position and the proprietary funds statement of net position and the unavailable tax revenue reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**M. Nature and Purpose of Classifications of Fund Equity**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the

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

use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. The committed fund balance classification includes amounts that can only be used for specific purposes determined by a formal action of the government's highest level of decision-making authority.

The City Board of Aldermen is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of a fiscal year, committed fund balances. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (adoption of another resolution) to remove or revise the limitation. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. The City Board of Aldermen has by resolution authorized the City Manager to assigned fund balance. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The City uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents or contracts that prohibit doing this. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has adopted a policy to maintain a minimum level of unrestricted fund balance (committed, assigned, and unassigned fund balances) in the General Fund. The target level is set at 17% of annual operating expenditures.

**N. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

**2. DEPOSITS AND INVESTMENTS**

**A. Custodial credit risk – deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The City reduces its exposure to custodial credit risk by requiring deposits to be collateralized in accordance with state law. As of June 30, 2020, the City was not exposed to custodial credit risk.

**B. Credit and interest rate risk - investments**

In accordance with its investment policy, the City manages its exposure to the risk of declines in fair values by limiting the maturities of its investments to a maximum of five years for U.S. Treasury and agency obligations; obligations of the State of Georgia; obligations of other U.S. states; and obligations of other political subdivisions of the State of Georgia. All other securities, including certificates of deposit, banker’s notes, and repurchase agreements are limited to maturities of one year or less. The City does not have a formal policy addressing credit risk.

As of June 30, 2020, the City had the following investments:

| Type of Investment          | Rating    | Investment Maturities (in Years) |                   |                   |                  | Total                |
|-----------------------------|-----------|----------------------------------|-------------------|-------------------|------------------|----------------------|
|                             |           | Less than 1                      | 1-5               | 6-10              | More than 10     |                      |
| Georgia Fund 1              | AAAf      | \$ 5,948,940                     | \$ -              | \$ -              | \$ -             | \$ 5,948,940         |
| Municipal Competitive Trust | not rated | 9,627,581                        | 163,016           | 194,044           | 26,592           | 10,011,233           |
| <b>Total</b>                |           | <b>\$ 15,576,521</b>             | <b>\$ 163,016</b> | <b>\$ 194,044</b> | <b>\$ 26,592</b> | <b>\$ 15,960,173</b> |

The above table of investments includes \$9,911,885 of investments classified on the financial statements as restricted assets. See also Note 1 for disclosure of the types of investments authorized by legal provisions.

**Concentration of credit risk**

The City limits the amount that may be invested in any one issuer to 60% of the City's total portfolio.

**C. Fair value measurements**

The City has adopted GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

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

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 an 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 the 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’s recurring fair value measurements at June 30, 2020 are classified as follows:

|                             |               | Fair Value Measurement Using |              |         |
|-----------------------------|---------------|------------------------------|--------------|---------|
|                             |               | Level 1                      | Level 2      | Level 3 |
| Municipal Competitive Trust | \$ 10,011,233 | \$ 4,181,879                 | \$ 5,829,354 | \$ -    |
|                             | \$ 10,011,233 | \$ 4,181,879                 | \$ 5,829,354 | \$ -    |

**3. RECEIVABLES**

Receivables at June 30, 2020 consist of the following:

|                             | Taxes and<br>Fines | Accrued<br>Interest | Utility<br>Accounts | Other     | Allowance for<br>Uncollectibles | Net<br>Receivables |
|-----------------------------|--------------------|---------------------|---------------------|-----------|---------------------------------|--------------------|
| General Fund                | \$ 45,625          | \$ 13,257           | \$ -                | \$ 44,084 | \$ (6,130)                      | \$ 96,836          |
| Nonmajor Governmental Funds | -                  | -                   | -                   | 430       | -                               | 430                |
| Electrical Power Fund       | -                  | -                   | 1,730,702           | -         | (85,909)                        | 1,644,793          |
| Sanitation Fund             | -                  | -                   | 178,980             | -         | (24,080)                        | 154,900            |
| Internal Service Funds      | -                  | -                   | -                   | 105       | -                               | 105                |
| Total                       | \$ 45,625          | \$ 13,257           | \$ 1,909,682        | \$ 44,619 | \$(116,119)                     | \$ 1,897,064       |

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

**4. DUE FROM OTHER GOVERNMENTS**

Amounts due from other governments at June 30, 2020 consist of the following:

|                             | Cobb<br>County, GA | Cobb County<br>Tax<br>Commissioner | State of Georgia<br>Department of<br>Transportation | Other            | Total             |
|-----------------------------|--------------------|------------------------------------|---|------------------|-------------------|
| General Fund                | \$ -               | \$ -                               | \$ -  | \$ 18,964        | \$ 18,964         |
| SPLOST Fund                 | 812,977            | -                                  | -   | -                | 812,977           |
| Nonmajor Governmental Funds | 25,860             | 102,687                            | 16,672  | -                | 145,219           |
|                             | <u>\$ 838,837</u>  | <u>\$ 102,687</u>                  | <u>\$ 16,672</u>                                    | <u>\$ 18,964</u> | <u>\$ 977,160</u> |

**5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Interfund loans receivable are considered “available spendable resources”. Such balances at June 30, 2020 include Due from (to) and Interfund receivable (payable) and are summarized as follows:

| Payable From                | Receivable To    |                                   |                          |                    |                           | Total               |
|-----------------------------|------------------|-----------------------------------|--------------------------|--------------------|---------------------------|---------------------|
|                             | General<br>Fund  | Nonmajor<br>Governmental<br>Funds | Electrical<br>Power Fund | Sanitation<br>Fund | Internal<br>Service Funds |                     |
| General Fund                | \$ -             | \$ 575,046                        | \$ 233,044               | \$ 2,802           | \$ 166,421                | \$ 977,313          |
| Nonmajor Governmental Funds | 9,696            | -                                 | -                        | -                  | -                         | 9,696               |
| Electrical Power Fund       | -                | -                                 | -                        | 303,488            | 81,840                    | 385,328             |
| Sanitation Fund             | 28,299           | -                                 | -                        | -                  | 29,040                    | 57,339              |
| Internal Service Funds      | 2,243            | -                                 | -                        | -                  | -                         | 2,243               |
| Total                       | <u>\$ 40,238</u> | <u>\$ 575,046</u>                 | <u>\$ 233,044</u>        | <u>\$ 306,290</u>  | <u>\$ 277,301</u>         | <u>\$ 1,431,919</u> |

Generally, outstanding balances between funds reported as “due to/from other funds” include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, and other miscellaneous receivables/payables between funds. Interfund loans receivable are considered “available spendable resources.”

Interfund transfers for the current year were as follows:

| TRANSFER IN TO              | TRANSFER OUT FROM |                                   |                          |                    |                           | Total               |
|-----------------------------|-------------------|-----------------------------------|--------------------------|--------------------|---------------------------|---------------------|
|                             | General<br>Fund   | Nonmajor<br>Governmental<br>Funds | Electrical<br>Power Fund | Sanitation<br>Fund | Internal<br>Service Funds |                     |
| General Fund                | \$ -              | \$ 418,868                        | \$ 901,605               | \$ 219,557         | \$ 128,970                | \$ 1,669,000        |
| Nonmajor Governmental Funds | 753,547           | -                                 | 673,540                  | -                  | -                         | 1,427,087           |
| Total                       | <u>\$ 753,547</u> | <u>\$ 418,868</u>                 | <u>\$ 1,575,145</u>      | <u>\$ 219,557</u>  | <u>\$ 128,970</u>         | <u>\$ 3,096,087</u> |

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, maintaining debt service on a routine basis, or in accordance with budgetary authorizations.

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

**6. RESTRICTED ASSETS**

The City's restricted assets at June 30, 2020 are restricted for the following:

| <b>Governmental Funds</b>                  | Cash Equivalents    | Investments         | Total               |
|--|---------------------|---------------------|---------------------|
| <b>General Fund:</b>                       |                     |                     |                     |
| Municipal court bonds                      | \$ 169,450          | \$ -                | \$ 169,450          |
| Development performance bonds              | 12,068              | -                   | 12,068              |
| Proceeds from sale of water & sewer system | 3,000,000           | -                   | 3,000,000           |
| Bail bond escrow                           | 35,227              | -                   | 35,227              |
| Other                                      | 5,122               | -                   | 5,122               |
|  | <u>3,221,867</u>    | <u>-</u>            | <u>3,221,867</u>    |
| <b>SPLOST Fund:</b>                        |                     |                     |                     |
| Unspent SPLOST proceeds                    | 2,311,175           | 792,271             | 3,103,446           |
| Unspent grant proceeds                     | 666,936             | -                   | 666,936             |
|  | <u>2,978,111</u>    | <u>792,271</u>      | <u>3,770,382</u>    |
| <b>Nonmajor governmental funds:</b>        |                     |                     |                     |
| Unspent bond proceeds                      | 435,037             | -                   | 435,037             |
| Unspent TAD proceeds                       | 1,500               | -                   | 1,500               |
| Recreational impact fee                    | 15,500              | 33,996              | 49,496              |
| Soil erosion fee                           | -                   | 11,437              | 11,437              |
| Confiscated assets                         | 158,131             | 584,822             | 742,953             |
|  | <u>610,168</u>      | <u>630,255</u>      | <u>1,240,423</u>    |
| <b>Total governmental funds</b>            | <u>\$ 6,810,146</u> | <u>\$ 1,422,526</u> | <u>\$ 8,232,672</u> |
| <b>Proprietary Funds</b>                   |                     |                     |                     |
| <b>Power Fund:</b>                         |                     |                     |                     |
| MEAG Power project                         | \$ -                | \$ 8,489,359        | \$ 8,489,359        |
| Customer deposits                          | 1,241,213           | -                   | 1,241,213           |
|  | <u>1,241,213</u>    | <u>8,489,359</u>    | <u>9,730,572</u>    |
| <b>Total proprietary funds</b>             | <u>\$ 1,241,213</u> | <u>\$ 8,489,359</u> | <u>\$ 9,730,572</u> |

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

**7. CAPITAL ASSETS**

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

|   | Beginning<br>Balance | Additions           | Reclassifications/<br>Reductions | Ending Balance       |
|---|----------------------|---------------------|----------------------------------|----------------------|
| <b>Governmental activities:</b>                     |                      |                     |                                  |                      |
| Capital assets, not being depreciated:              |                      |                     |                                  |                      |
| Land  | \$ 7,218,671         | \$ -                | \$ (140,422)                     | \$ 7,078,249         |
| Construction in progress                            | 4,754,537            | 656,503             | (4,480,315)                      | 930,725              |
| Total capital assets not being depreciated          | <u>11,973,208</u>    | <u>656,503</u>      | <u>(4,620,737)</u>               | <u>8,008,974</u>     |
| Capital assets, being depreciated:                  |                      |                     |                                  |                      |
| Buildings   | 25,976,013           | 446,472             | -                                | 26,422,485           |
| Improvements other than buildings                   | 14,998,176           | 540,850             | -                                | 15,539,026           |
| Intangible Assets                                   | 212,236              | -                   | -                                | 212,236              |
| Vehicles and equipment                              | 8,928,718            | 525,315             | (444,093)                        | 9,009,940            |
| Infrastructure (streets)                            | 70,217,535           | 7,693,275           | -                                | 77,910,810           |
| Total capital assets being depreciated              | <u>120,332,678</u>   | <u>9,205,912</u>    | <u>(444,093)</u>                 | <u>129,094,497</u>   |
| Less accumulated depreciation for:                  |                      |                     |                                  |                      |
| Buildings   | (5,702,921)          | (884,324)           | -                                | (6,587,245)          |
| Improvements other than buildings                   | (6,849,571)          | (845,553)           | -                                | (7,695,124)          |
| Intangible Assets                                   | (139,604)            | (17,236)            | -                                | (156,840)            |
| Vehicles and equipment                              | (5,896,701)          | (887,446)           | 411,515                          | (6,372,632)          |
| Infrastructure (streets)                            | (48,007,340)         | (2,364,989)         | -                                | (50,372,329)         |
| Total accumulated depreciation                      | <u>(66,596,137)</u>  | <u>(4,999,548)</u>  | <u>411,515</u>                   | <u>(71,184,170)</u>  |
| Total capital assets being depreciated, net         | <u>53,736,541</u>    | <u>4,206,364</u>    | <u>(32,578)</u>                  | <u>57,910,327</u>    |
| <b>Governmental activities capital assets, net</b>  | <u>\$ 65,709,749</u> | <u>\$ 4,862,867</u> | <u>\$ (4,653,315)</u>            | <u>\$ 65,919,301</u> |
| <b>Business-type activities:</b>                    |                      |                     |                                  |                      |
| Capital assets, not being depreciated:              |                      |                     |                                  |                      |
| Land  | \$ 202,408           | \$ -                | \$ -                             | \$ 202,408           |
| Construction in progress                            | -                    | 20,711              | -                                | 20,711               |
| Total capital assets not being depreciated          | <u>202,408</u>       | <u>20,711</u>       | <u>-</u>                         | <u>223,119</u>       |
| Capital assets, being depreciated:                  |                      |                     |                                  |                      |
| Buildings   | 166,369              | -                   | -                                | 166,369              |
| Improvements other than buildings                   | 51,042               | -                   | -                                | 51,042               |
| Electrical System                                   | 11,325,976           | 977,126             | -                                | 12,303,102           |
| Vehicles and equipment                              | 4,727,144            | 300,748             | (354,739)                        | 4,673,153            |
| Total capital assets being depreciated              | <u>16,270,531</u>    | <u>1,277,874</u>    | <u>(354,739)</u>                 | <u>17,193,666</u>    |
| Less accumulated depreciation for:                  |                      |                     |                                  |                      |
| Buildings   | (142,878)            | (3,773)             | -                                | (146,651)            |
| Improvements other than buildings                   | (16,188)             | (6,212)             | -                                | (22,400)             |
| Electrical System                                   | (6,784,771)          | (388,018)           | -                                | (7,172,789)          |
| Vehicles and equipment                              | (3,978,558)          | (306,580)           | 354,739                          | (3,930,399)          |
| Total accumulated depreciation                      | <u>(10,922,395)</u>  | <u>(704,583)</u>    | <u>354,739</u>                   | <u>(11,272,239)</u>  |
| Total capital assets being depreciated, net         | <u>5,348,136</u>     | <u>573,291</u>      | <u>-</u>                         | <u>5,921,427</u>     |
| <b>Business-type activities capital assets, net</b> | <u>\$ 5,550,544</u>  | <u>\$ 594,002</u>   | <u>\$ -</u>                      | <u>\$ 6,144,546</u>  |

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

Governmental Activities:

|  |                     |
|--|---------------------|
| General government   | \$ 389,693          |
| Public safety  | 670,292             |
| Public works, including depreciation of general infrastructure | 2,601,964           |
| Housing and development  | 11,663              |
| Judicial   | 10,591              |
| Culture and recreation   | 1,315,345           |
| Total depreciation expense - governmental activities           | <u>\$ 4,999,548</u> |

Business-type activities:

|  |                   |
|--|-------------------|
| Electric   | \$ 561,938        |
| Sanitation   | 141,595           |
| Capital assets held by the government's internal services fund<br>are charged to the various functions based on their usage of<br>the assets | 1,050             |
| Total depreciation expense - business-type activities  | <u>\$ 704,583</u> |

**8. LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020:

|  | Beginning<br>Balance | Additions           | Reductions            | Ending<br>Balance    | Due Within<br>One Year |
|--|----------------------|---------------------|-----------------------|----------------------|------------------------|
| <b>Governmental activities:</b>                |                      |                     |                       |                      |                        |
| Debt:  |                      |                     |                       |                      |                        |
| Revenue bonds                                  | \$ 13,708,000        | \$ 5,515,000        | \$ (6,418,000)        | 12,805,000           | \$ 1,109,000           |
| Installment sales agreement                    | 2,767,647            | -                   | (229,949)             | 2,537,698            | 238,235                |
| Tax allocation district bonds                  | 3,280,000            | -                   | (435,000)             | 2,845,000            | 445,000                |
| Intergovernmental contracts                    | 115,562              | 375,000             | (76,846)              | 413,716              | 288,716                |
| Capital leases                                 | 136,452              | -                   | (27,983)              | 108,469              | 31,796                 |
| Total Debt                                     | 20,007,661           | 5,890,000           | (7,187,778)           | 18,709,883           | 2,112,747              |
| Compensated absences                           | 287,071              | 340,882             | (281,862)             | 346,091              | 276,872                |
| Governmental activities long-term liabilities  | <u>\$ 20,294,732</u> | <u>\$ 6,230,882</u> | <u>\$ (7,469,640)</u> | <u>\$ 19,055,974</u> | <u>\$ 2,389,619</u>    |
| <b>Business-type activities:</b>               |                      |                     |                       |                      |                        |
| Capital leases                                 | \$ 399,161           | \$ 195,822          | \$ (178,248)          | \$ 416,735           | \$ 174,098             |
| Compensated absences                           | 101,500              | 97,874              | (85,106)              | 114,268              | 91,414                 |
| Business-type activities long-term liabilities | <u>\$ 500,661</u>    | <u>\$ 293,696</u>   | <u>\$ (263,354)</u>   | <u>\$ 531,003</u>    | <u>\$ 265,512</u>      |

For Governmental Activities, compensated absences are typically liquidated in the General Fund.

**CITY OF ACWORTH, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
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**Governmental Activities:**

**A. Revenue Bonds (Direct Borrowing/Placements)**

City Hall and Sports Complex Project

On April 1, 2003, the Acworth Downtown Development Authority issued \$5,580,000 in Series 2003 Revenue Bonds at a rate of 3.75% per annum for the purpose of providing funding for the cost of the acquisition, construction, equipping and installation of the City Hall and Sports Complex Projects. On the same date, the City and the Acworth Downtown Development Authority entered into an intergovernmental lease agreement which obligates the City to make lease payments directly to the Trustee for the purpose of paying the principal and interest on the outstanding balance of the 2003 Revenue Bonds issued by the Authority. The issue is secured by the full faith and credit of the City. This agreement enabled the City to lease from the Authority the facilities constructed by the Authority. The lease is a direct financing lease in accordance with generally accepted accounting principles. The Authority has no obligation for the debt beyond the resources provided by the City under the lease agreement. The bonds were refunded in June 2013 at a rate of 1.74% per annum with a final maturity of April 1, 2023. Additionally, an agreement of sale was entered into between the ADDA and the City for purchase of the facilities. The debt service requirement on these bonds is as follows:

| Year Ending<br>June 30, | Principal           | Interest         | Total               |
|-------------------------|---------------------|------------------|---------------------|
| 2021                    | \$ 354,000          | \$ 18,792        | \$ 372,792          |
| 2022                    | 360,000             | 12,632           | 372,632             |
| 2023                    | 366,000             | 6,368            | 372,368             |
| Total                   | <u>\$ 1,080,000</u> | <u>\$ 37,792</u> | <u>\$ 1,117,792</u> |

Cable/Fiber Optic System

The City and the Acworth Downtown Development Authority entered into an intergovernmental contract for the purpose of constructing a Cable/Fiber Optic System within the City. Bonds were issued in 1999 and 2000 by the Authority. This contract enabled the City to lease from the Authority the hybrid fiber/coax broadband network constructed by the Authority with the bond proceeds.

The bonds issued by the Authority were refinanced to allow for the sale of the system. In June 2008 the Authority issued \$9,645,000 in Series 2008 Refunding Revenue Bond (City of Acworth Cable Project) for the purpose of refunding the existing bonds. As a result of the refunding, the City increased its total debt service requirements by \$200,000 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$958,903.

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The bonds issued by the Authority were refinanced during on January 21, 2020. In January 2020, the Authority issued \$5,515,000 in Series 2020 Refunding Revenue Bond (City of Acworth Cable Project) for the purpose of refunding the existing bonds. As a result of the refunding, the City decreased its total debt service requirements by \$317,784 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$289,608.

The hybrid fiber/coax broadband network constructed has been sold and is no longer an asset owned by the City. Since no asset is owned by the City; the capital lease debt is not included in the calculation of net investment in capital assets.

The debt service requirements on these bonds are as follows:

| Year Ending<br>June 30, | Principal           | Interest          | Total               |
|-------------------------|---------------------|-------------------|---------------------|
| 2021                    | \$ 570,000          | \$ 104,790        | \$ 674,790          |
| 2022                    | 585,000             | 92,820            | 677,820             |
| 2023                    | 600,000             | 80,536            | 680,536             |
| 2024                    | 615,000             | 67,935            | 682,935             |
| 2025                    | 635,000             | 55,020            | 690,020             |
| 2026 - 2029             | 1,985,000           | 83,999            | 2,068,999           |
| Total                   | <u>\$ 4,990,000</u> | <u>\$ 485,100</u> | <u>\$ 5,475,100</u> |

City of Acworth Street Project

During 2017, the Acworth Downtown Development Authority issued \$7,160,000 in Series 2017 Revenue Bonds for the purpose of financing the costs of the City of Acworth Street Project. The bonds were issued at a rate of 2.25% per annum with a maturity of July 01, 2031. The City and the Acworth Downtown Development Authority entered into an agreement of sale whereas the City will make the installment payments until the bond is paid in full. The principal is paid annually while the interest is paid bi-annually.

**CITY OF ACWORTH, GEORGIA  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The debt service requirements on these bonds are as follows:

| Year Ending<br>June 30, | Principal           | Interest            | Total               |
|-------------------------|---------------------|---------------------|---------------------|
| 2021                    | \$ 185,000          | \$ 151,538          | \$ 336,538          |
| 2022                    | 185,000             | 147,375             | 332,375             |
| 2023                    | 195,000             | 143,213             | 338,213             |
| 2024                    | 565,000             | 138,825             | 703,825             |
| 2025                    | 565,000             | 126,113             | 691,113             |
| 2026-2030               | 4,825,000           | 417,150             | 5,242,150           |
| 2031                    | 215,000             | 4,837               | 219,837             |
| Total                   | <u>\$ 6,735,000</u> | <u>\$ 1,129,051</u> | <u>\$ 7,864,051</u> |

**B. Installment Sales Agreement (Direct Borrowing/Placements)**

Public Safety and Court Services

During 2014, the City and the Georgia Municipal Association entered into an installment sales agreement totaling \$3,840,000 over a period of 15 years for the purpose of financing the cost of renovating the existing facilities to provide public safety and court services for the City and the construction of an access road to the facilities. The principal amount is payable annually while the interest payments will be made semi-annually at a rate of 3.41%.

On February 6, 2020, the agreement was amended to modify the interest rate on the agreement to 2.39%. All other terms remained in effect.

The debt service requirements on this modified agreement are as follows:

| Year Ending<br>June 30, | Principal           | Interest          | Total               |
|-------------------------|---------------------|-------------------|---------------------|
| 2021                    | \$ 238,235          | \$ 57,804         | \$ 296,039          |
| 2022                    | 264,240             | 51,800            | 316,040             |
| 2023                    | 270,556             | 45,409            | 315,965             |
| 2024                    | 277,022             | 38,865            | 315,887             |
| 2025                    | 283,643             | 32,165            | 315,808             |
| 2026-2029               | 1,204,002           | 58,400            | 1,262,402           |
| Total                   | <u>\$ 2,537,698</u> | <u>\$ 284,443</u> | <u>\$ 2,822,141</u> |

**CITY OF ACWORTH, GEORGIA**  
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**C. Tax Allocation District Bonds (Direct Borrowing/Placements)**

During 2004, the City issued \$6,050,000 in limited obligation term bonds to undertake certain redevelopment projects within a tax allocation district (Lakeside TAD) established by the City. The issuance is a limited obligation of the City, not secured by the full faith and credit of the City, but is secured solely by, and payable solely from, pledged revenues. The pledged revenues are defined as the tax allocation increments, the amount of property taxes generated within the district area which exceed the amount collected from the same area prior to development, from the City, Cobb County, and the Cobb County Board of Education. The property tax increments are pledged until the bonds are paid in full in fiscal year 2026. The tax allocation increments are projected to produce 100% of the debt service requirements over the life of the bonds. For the current year, total principal and interest paid and total tax allocation increments were \$512,787 and \$820,650, respectively.

On July 23, 2013, the bonds were refunded and the revised debt service requirements to maturity are as follows:

| Year Ending<br>June 30, | Principal           | Interest          | Total               |
|-------------------------|---------------------|-------------------|---------------------|
| 2021                    | \$ 445,000          | \$ 66,612         | \$ 511,612          |
| 2022                    | 455,000             | 55,182            | 510,182             |
| 2023                    | 470,000             | 43,434            | 513,434             |
| 2024                    | 480,000             | 31,370            | 511,370             |
| 2025                    | 490,000             | 19,054            | 509,054             |
| 2026                    | 505,000             | 6,417             | 511,417             |
| Total                   | <u>\$ 2,845,000</u> | <u>\$ 222,069</u> | <u>\$ 3,067,069</u> |

**D. Intergovernmental Contract (Direct Borrowing/Placements)**

During 2016, the City entered into an intergovernmental agreement with Cobb County for lease payments on portable and mobile radios through the levy of a one percent Special Purpose Local Option Sales Tax (SPLOST). The one percent SPLOST is collected by Cobb County and the City's payments on the radio equipment will be retained by the County. The agreement is for a term of 5 years requiring a monthly payment of \$6,500.

During 2016, the City entered into an intergovernmental agreement with Cobb County to fund a joint project through the levy of a one percent Special Purpose Local Option Sales Tax (SPLOST). The County withholds \$20,833 per month from the City to fund their portion of the project. The project was completed in 2020.

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Intergovernmental contract debt service requirements over the life of the agreement are as follows:

| Year Ending<br>June 30, | Principal         | Interest      | Total             |
|-------------------------|-------------------|---------------|-------------------|
| 2021                    | \$ 288,716        | \$ 284        | \$ 289,000        |
| 2022                    | 125,000           | -             | 125,000           |
| Total                   | <u>\$ 413,716</u> | <u>\$ 284</u> | <u>\$ 414,000</u> |

**E. Capital Leases (Direct Borrowing/Placements)**

The City is obligated under a capital lease agreement covering equipment. Capital lease debt service requirements to maturity for business-type activities are as follows:

| Year Ending<br>June 30, | Principal         | Interest        | Total             |
|-------------------------|-------------------|-----------------|-------------------|
| 2021                    | \$ 31,796         | \$ 3,995        | \$ 35,791         |
| 2022                    | 33,175            | 2,618           | 35,793            |
| 2023                    | 34,613            | 1,174           | 35,787            |
| 2024                    | 8,885             | 63              | 8,948             |
| Total                   | <u>\$ 108,469</u> | <u>\$ 7,850</u> | <u>\$ 116,319</u> |

The gross amount of Governmental Activities capital assets on the balance sheet recorded under capital leases is \$160,974 and the accumulated depreciation is \$30,825. This year \$16,096 was included in depreciation expense.

**F. Legal Debt Margin**

The City is subject to a debt limit that is 10% of its total assessed taxable property valuation. At June 30, 2020 that amount was \$88,680,318. As of June 30, 2020 the total outstanding debt applicable to the limit was \$15,342,698.

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**Business-type Activities:**

**A. Capital Leases (Direct Borrowing/Placements)**

The City is obligated under multiple capital lease agreements covering equipment. Capital lease debt service requirements to maturity for business-type activities are as follows:

| Year Ending<br>June 30, | Principal         | Interest         | Total             |
|-------------------------|-------------------|------------------|-------------------|
| 2021                    | \$ 174,098        | \$ 10,344        | \$ 184,442        |
| 2022                    | 120,614           | 6,055            | 126,669           |
| 2023                    | 46,385            | 3,367            | 49,752            |
| 2024                    | 40,669            | 1,967            | 42,636            |
| 2025                    | 34,969            | 548              | 35,517            |
| Total                   | <u>\$ 416,735</u> | <u>\$ 22,281</u> | <u>\$ 439,016</u> |

The gross amount of Business-type Activities capital assets on the balance sheet recorded under capital leases is \$1,043,672 and the accumulated depreciation is \$658,972. This year \$208,734 was included in depreciation expense.

**9. COMMITMENTS AND CONTINGENCIES**

Municipal Electric Authority of Georgia

The City has entered into a Power Sales Contract with the Municipal Electric Authority of Georgia (the “Authority”). Concurrently with this agreement, the City has agreed to assume the obligation to pay the costs for excess entitlements transferred from the City of Sylvania, Georgia. The contract requires the City to purchase from the Authority all of the City’s bulk power supply. The Authority is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City’s payment obligations are general obligations for the payment of which the City’s full faith and credit and taxing powers are pledged. The City purchased bulk power totaling \$7,152,140 from the Authority during the period ended June 30, 2020.

Electric Cities of Georgia

The City is obligated under a Distribution Business Unit and Marketing Services Contract with the Electric Cities of Georgia. This contract provides for certain marketing, distribution, joint purchasing, training and safety, and technical support services. The City’s cost for these services were \$241,226 during the period ended June 30, 2020.

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Encumbrances

Encumbrances outstanding as of June 30, 2020 are as follows:

|              |    |         |
|--------------|----|---------|
| General Fund | \$ | 11,726  |
| SPLOST Fund  |    | 732,893 |
| Total        | \$ | 744,619 |

Coronavirus Pandemic

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The recently declared pandemic could adversely impact the City’s future financial results, especially if the community is negatively impacted by the decrease in economic activity caused by the virus. Such potential impact is unknown at this time.

**10. PROPERTY TAXES**

The City bills and collects real and personal property taxes. Prior to fiscal year 2011, Cobb County, Georgia was billing and collecting those taxes on behalf of the City. Ad valorem tax on motor vehicles and mobile homes is collected by the Cobb County Tax Commissioner and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied in September of each year on the assessed valuation of property as of the preceding January 1 and are due within 60 days. Taxes levied on September 15 were due on or before November 15.

Liens may attach to property for unpaid taxes at any time within three years after the due date.

Assessed values are established by the Cobb County Tax Assessor’s office and are currently calculated at 40% of the market value. The assessed values of real and personal property (excluding public utility franchise, motor vehicles, heavy duty equipment and mobile home taxes) at January 1, 2019 were \$798,474,893 and \$59,119,498 respectively.

Based on the 2019 digest millage levy of 7.60, a property tax owner would pay \$7.60 per \$1,000 of assessed valuation. Current tax collections of \$5,767,977 for the fiscal year ended June 30, 2020 were 99.05% of the levy.

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**11. FUND BALANCE**

The composition of the City’s fund balances is as follows:

|                                     | General<br>Fund     | SPLOST<br>Fund      | Non-major<br>Governmental<br>Funds | Total                |
|-------------------------------------|---------------------|---------------------|------------------------------------|----------------------|
| Nonspendable:                       |                     |                     |                                    |                      |
| Prepays                             | \$ 325,252          | \$ -                | \$ 55,944                          | \$ 381,196           |
| Restricted for:                     |                     |                     |                                    |                      |
| Capital projects - Downtown Project | -                   | -                   | 574,741                            | 574,741              |
| Public safety - Police              | 1,996               | 77,978              | 722,444                            | 802,418              |
| Culture and recreation              | 1,940               | 500,000             | 49,496                             | 551,436              |
| Public works                        | 1,186               | 3,607,666           | 12,240                             | 3,621,092            |
| General government                  | -                   | -                   | -                                  | -                    |
| Voter appropriation                 | 3,000,000           | -                   | -                                  | 3,000,000            |
| Committed for:                      |                     |                     |                                    |                      |
| Public Works                        | 107                 | -                   | -                                  | 107                  |
| General Government                  | 1,703               | -                   | -                                  | 1,703                |
| Culture and recreation              | 236                 | -                   | -                                  | 236                  |
| Housing and development             | 9,680               | -                   | -                                  | 9,680                |
| Assigned for:                       |                     |                     |                                    |                      |
| Capital projects                    | -                   | -                   | 24,611                             | 24,611               |
| General government                  | -                   | -                   | 31,630                             | 31,630               |
| Public safety                       | 13,645              | -                   | 247,274                            | 260,919              |
| Public works                        | -                   | -                   | 44,669                             | 44,669               |
| Culture and recreation              | 45,940              | -                   | 66,909                             | 112,849              |
| Housing and development             | 7,208               | -                   | 42,393                             | 49,601               |
| Unassigned                          | 4,619,541           | -                   | -                                  | 4,619,541            |
|                                     | <u>\$ 8,028,434</u> | <u>\$ 4,185,644</u> | <u>\$ 1,872,351</u>                | <u>\$ 14,086,429</u> |

**12. EMPLOYEE RETIREMENT SYSTEM**

General Information about the Pension Plan - The City has established a defined benefit pension plan (“Plan”) and contributes to the Georgia Municipal Employees Benefit System (“GMEBS”), an agent multi-employer public employee retirement system that acts as a common investment and administrative agent for cities in the state of Georgia. The Georgia Municipal Employee Benefit System issues a publicly available financial report that includes financial statements and required supplementary information of GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling 404-688-0472. Benefit terms and contribution requirements are established and may be amended by the Mayor and Board of Aldermen.

All full-time employees become eligible for the plan after one year of service. Beginning August 2002, benefits vest after completing five years of service. Employees who retire after age 65 with 5 years of services or after age 55 with 10 years of credited service are

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entitled to a retirement benefit. The monthly benefit is determined using a split benefit formula, incorporating the employees' highest average earnings for five consecutive years, years of service and rates of 1.0% and 1.75%.

The Plan was amended during 2007 to offer certain enhancements. During fiscal year ended December 31, 2007, all active employees were offered the option of acquiring an early retirement benefit under the "Rule of 80" with a minimum age of 52 (where age and credited years of service meet or exceed 80). Employees that meet the "Rule of 80" with a minimum age of 52 are entitled to early retirement benefits. The Plan was amended effective January 1, 2017 where employees contribute 4% of their annual salary towards the additional costs of these benefits. Previously, the employee contribution was 3%. The vesting period for benefits was also adjusted from seven years of service to 10 years of service. Effective January 1, 2017, employee benefits are determined using a benefit formula incorporating the employee's highest consecutive five years average earnings, years of service and a rate of 2.00%; previously 1.75%. All new employees are automatically covered by the new plan after meeting the eligibility requirement.

Elected officials have no waiting period for eligibility and are immediately vested. Elected officials are entitled to a benefit based on a set amount per years of service. Amendments were adopted in May 2012, concerning the benefit level and vesting for elected officials. The prior plan called for immediate participation for elected officials. Under the amended plan, future elected officials will have to meet a seven year vesting schedule.

*Employees covered by benefit terms* - At January 1, 2020, the following employees were covered by the benefit terms:

|  |                   |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 60                |
| Inactive employees entitled to but not yet receiving benefits    | 79                |
| Active employees   | 160               |
| Elected Officials  | <u>6</u>          |
| Total  | <u><u>305</u></u> |

*Contributions* - Contributions are determined under the projected unit credit actuarial cost method. The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions. For the year ended June 30, 2020, the actuarially determined rate was 7.82% of annual pay. The City's contributions to the Plan totaled \$635,779 for the year ended June 30, 2020.

Net Pension Liability - The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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*Actuarial assumptions* - The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                   |                                   |
|-----------------------------------|-----------------------------------|
| Inflation                         | 2.25%                             |
| Salary Increases                  | 3.00% - 8.50% including inflation |
| Investment rate of return         | 7.375%                            |
| Post-retirement benefit increases | Not applicable                    |

Mortality rates were based on the sex-distinct Pri-2012 head-count weighted mortality tables, as applicable.

The mortality and actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019.

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

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

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

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Changes in the Net Pension Liability

|  | Increase (Decrease)               |                                       |                                       |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
|  | Total Pension<br>Liability<br>(a) | Plan Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(a) - (b) |
| Balances at 9/30/2018  | \$ 14,251,703                     | \$ 10,833,249                         | \$ 3,418,454                          |
| Changes for the year:  |                                   |                                       |                                       |
| Service cost   | 437,364                           | -                                     | 437,364                               |
| Interest   | 1,085,463                         | -                                     | 1,085,463                             |
| Differences between expected<br>and actual experience            | 600,526                           | -                                     | 600,526                               |
| Contributions - employer   | -                                 | 596,241                               | (596,241)                             |
| Contributions - employee   | -                                 | 312,418                               | (312,418)                             |
| Net investment income  | -                                 | 350,717                               | (350,717)                             |
| Benefit payments, including refunds<br>of employee contributions | (432,446)                         | (432,446)                             | -                                     |
| Administrative expense   | -                                 | (38,243)                              | 38,243                                |
| Changes of assumptions   | 1,113,438                         | -                                     | 1,113,438                             |
| Net changes  | 2,804,345                         | 788,687                               | 2,015,658                             |
| Balances at 9/30/2019  | <u>\$ 17,056,048</u>              | <u>\$ 11,621,936</u>                  | <u>\$ 5,434,112</u>                   |

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

|                       | 1% Decrease<br>(6.375%) | Current<br>Discount<br>(7.375%) | 1% Increase<br>(8.375%) |
|-----------------------|-------------------------|---------------------------------|-------------------------|
| Net pension liability | \$ 7,867,470            | \$ 5,434,112                    | \$ 3,459,135            |

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued GMEBS Retirement Trust financial report. The GMEBS's financial statements are prepared using the accrual basis of accounting. Contributions are recognized as revenues in the period in which the contributions are received. Investment income is recognized as earned by the GMEBS. The net appreciation (depreciation) in the fair value of investments held by the GMEBS is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the Statement of Net Position. Plan refunds, transfers and

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benefits to participants are recorded as they are received or paid. Other expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made. Investments are reported at fair value as of the Statement of Net Position date.

Investments of the System consist of common and preferred stocks, corporate fixed income securities, equity and fixed income mutual funds, governmental and governmental agency securities, real estate investment trusts, and external collective investment trusts. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments in real estate funds are valued based on appraisals and valuations prepared by Morgan Stanley Real Estate Advisors. Fair value of the external collective investment trusts are equal to the value of the pool shares. The Office of the Comptroller of Currency is the oversight agency for the external collective investment trusts. Temporary cash and cash equivalent investments are reported at cost, which approximates fair value. Investments that do not have an established market are reported at estimated fair values.

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

For the year ended June 30, 2020, the City recognized pension expense of \$946,954. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|--|---|--|
| Differences between expected and actual experience   | \$ 798,115                                | \$ (766)                                 |
| Changes of assumptions   | 969,198                                   | -  |
| Net difference between projected and actual earnings on pension plan investments                           | -   | (39,339)                                 |
| Employer contributions to the pension plan subsequent to the measurement date of the net pension liability | <u>476,835</u>                            | <u>-</u>                                 |
| Total  | <u>\$ 2,244,148</u>                       | <u>\$ (40,105)</u>                       |

\$476,835 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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|                     |            |
|---------------------|------------|
| Year ended June 30, |            |
| 2021                | \$ 380,602 |
| 2022                | 428,767    |
| 2023                | 479,406    |
| 2024                | 438,433    |
| 2025                | -          |
| Thereafter          | -          |

**13. POST-EMPLOYMENT HEALTHCARE PLAN**

Plan Description - The City of Acworth OPEB Plan is a single-employer defined benefit healthcare plan administered by the City of Acworth. The plan does not issue separate financial statements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The City provides medical, prescription drug and life insurance benefits to retirees. Retirees' spouses are eligible for the same benefits as the retiree with the exception of life insurance. Employees retiring after March 1, 2009 are not provided life insurance. Substantially all of the City's employees may become eligible for those benefits if they retire on or after the age of 60, provided that the employee's age plus completed years of service with the City, at the time of the employee's retirement is equal to or greater than 85.

The plan was amended in 2016 whereas employees hired prior to September 1, 2016 become eligible for benefits if they retire on or after the age of 52, provided that the employee's age plus completed years of service with the City at the time of retirement is equal to or greater than 80. Employees hired after September 1, 2016 that are permanent full time career employees, have been employed a minimum of 30 full time continuous years with the City and have attained their 60th birthday while employed full time by the City, become eligible to purchase single coverage medical insurance under the then current City medical insurance plan until they become Medicare eligible. The employee shall pay the same rate as currently employed permanent full time career employees pay for medical insurance however, the rate may be adjusted by the Mayor and Board of Aldermen. Should the employee choose not to participate in Medicare, their eligibility for medical insurance under the City plan will cease on the date they would otherwise become eligible for Medicare coverage.

The cost of benefits for retirees is paid by the City. The City will pay 100% of the cost of benefits for the retiree's spouse if the employees retires after completing 30 years of service with the City, 75% if completed 25 years of service, 50% if completed 20 years of service, and 0% if less than 20 years of service. The plan was amended in 2017 for employees hired after September 1, 2016 whereas those employees retiring having attained the age of 60 and working a minimum of 30 continuous years with the City will be eligible to purchase single coverage medical insurance under the City's plan at the same rate current employees would be contributing. Benefits cease upon reaching Medicare eligibility.

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*Employees Covered by Benefit Terms* – At January 1, 2019, the following employees were covered by the benefit terms:

|   |         |
|---|---------|
| Inactive plan members of beneficiaries currently receiving benefit payments | 7       |
| Active plan members   | 168     |
| <br>Total   | <br>175 |

Total OPEB Liability - The City’s total OPEB liability was measured as of June 30, 2019 by an actuarial valuation as of that date.

*Actuarial assumptions* - The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

|                             |  |
|-----------------------------|--|
| Inflation                   | 2.25%  |
| Salary increases            | 3.00% to 8.50% including inflation   |
| Investment rate of return   | 3.50%  |
| Healthcare cost trend rates | 6.50% trended down to 4.50% over 8 years   |
| Healthy mortality rates     | Sex distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table, with rates multiplied by 1.25 |

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

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

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Changes in Total OPEB Liability

|   | Total OPEB<br>Liability |
|---|-------------------------|
| Balances at 6/30/2018                                 | \$ 12,972,664           |
| Changes for the year:                                 |                         |
| Service cost  | 696,396                 |
| Interest  | 528,196                 |
| Change in benefit terms                               | 602,656                 |
| Differences between expected<br>and actual experience | 692,342                 |
| Changes of assumptions                                | 6,122,495               |
| Contributions - employer                              | -                       |
| Net investment income                                 | -                       |
| Benefit payments                                      | (41,170)                |
| Administrative expense                                | -                       |
| Net changes   | 8,600,915               |
| Balances at 6/30/2019                                 | \$ 21,573,579           |

Sensitivity of the total OPEB liability to changes in the discount rate and 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 a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentagepoint higher (4.50 percent) than the current discount rate:

|                      | 1% Decrease<br>(2.50%) | Discount Rate<br>(3.50%) | 1% Increase<br>(4.50%) |
|----------------------|------------------------|--------------------------|------------------------|
| Total OPEB liability | \$ 26,523,689          | \$ 21,573,579            | \$ 17,734,906          |

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

|                      | 1% Decrease   | Healthcare Cost<br>Trend Rates | 1% Increase   |
|----------------------|---------------|--------------------------------|---------------|
| Total OPEB liability | \$ 17,228,201 | \$ 21,573,579                  | \$ 27,389,865 |

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$2,232,163. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience   | \$ 605,801                           | \$ 383,094                          |
| Changes of assumptions   | 5,357,184                            | 1,540,169                           |
| Employer contributions to the OPEB plan subsequent to the measurement date of the total OPEB liability | 68,416                               | -                                   |
| Total  | \$ 6,031,401                         | \$1,923,263                         |

\$68,416 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021. Other 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, |    |           |
|---------------------|----|-----------|
| 2021                | \$ | 404,918   |
| 2022                |    | 404,918   |
| 2023                |    | 404,918   |
| 2024                |    | 404,918   |
| 2025                |    | 716,340   |
| Thereafter          |    | 1,703,710 |

**14. DEFINED CONTRIBUTION PLAN**

The City of Acworth contributes to the City of Acworth's ICMA RC Governmental Money Purchase Plan, which is a defined contribution plan under Section 401(a) of the Internal Revenue Code. The Plan is administered by the ICMA-Retirement Corporation. As of June 30, 2020, there were 201 plan members. Plan provisions and contribution requirements are established and amended by the City. The plan includes elected officials, all full-time employees, management employees and part-time permanent employees working more than 30 hours per week. The plan consists of employee contributions and an employer match. The employer match is up to 2.5% for qualifying regular and part-time employees and up to

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5.5% for management employees and elected officials of the City. Such qualifying employees who have performed one (1) hour of service are eligible to participate in the plan.

The plan was amended in 2007 by the City to allow qualified employees and current elected officials hired/elected and enrolled prior to October 1, 2007 to be automatically vested. Employees hired after October 1, 2007 are required to meet a tiered seven (7) year vesting schedule. Elected officials participating after October 1, 2007 become fully vested after four (4) years of participation.

Effective January 01, 2018, the City amended the Plan. Employees not already contributing to the 401(a) plan may elect to contribute to a 457 plan and the City will fund the match of their contributions into the 401(a) plan. Employees may contribute into both plans provided the City's total percentage match does not exceed the specified percentage for employee type. Employees participating prior to January 1, 2018 will continue to have their contributions placed in the 401(a) plan. The vesting schedule was also amended to a five (5) year tiered vesting. All new employees may contribute to the 457 plan with the employer match in the 401(a) plan.

A participant that leaves the employment of the City is entitled to their account balance for employee contributions and if vesting requirements are satisfied they are also entitled to the employer match portion. Any forfeiture balances are used to reduce future employer contributions, or if no contributions are required, forfeited amounts are allocated to participant accounts based on the ratio of each participant's earnings to total earnings for all participants. The balance in the forfeiture account as of June 30, 2020 was \$4,796. The City made total contributions during the year of \$497,933. The participant's portion of the contributions during the year was \$262,636. The plan held no securities of the City or other related parties during the year.

**15. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City participates in a public entity risk pool managed by the Georgia Interlocal Risk Management Agency (GIRMA) whereby the risk is pooled with other entities. The retention of the pool is \$1,000,000 for property and \$750,000 for liability. Coverage is subject to a per occurrence deductible of \$2,500.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency. GIRMA establishes 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 must participate at all times in at least one fund which is established by GIRMA.

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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 agents 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.
- 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 purpose of GIRMA.
- To follow all loss reduction and prevention procedures established by 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 is also exposed to risks of loss related to job-related illnesses or injuries to employees for which the City has transferred its risk through participation in a group self-insurance fund managed by the Georgia Municipal Association Workers' Compensation Self-Insurance Fund whereby the risk is pooled with other entities. The policy is adjustable and the retention of the fund is \$1,000,000. Yearly premiums are paid by the City which will pay for related medical benefits and lost time exceeding the first seven days the employee is absent, and the first seven days if the employee is absent at least twenty-one days, up to statutory limits per occurrence. Beginning in 2006, coverage is subject to a per occurrence deductible of \$25,000.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City became a member of the Georgia Municipal Association Workers' Compensation Self

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

Insurance Fund. The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

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

The 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 injuries or death within the purview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding 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.

In addition, the City is exposed to risks of loss resulting from providing health, dental and vision benefits to employees and retirees. Prior to December 31, 2016; the City operated a partially self-insured program for medical claims (which includes prescriptions). The City was responsible for premium payments, medical claims payments and providing eligibility information. The City has not incurred a liability for potential claims while self-insured as the run-out period has passed. Any potential claims are believed to be minimal.

Under the partially self-insured plan, the City had a specific deductible of \$40,000 with an unlimited specific excess limited per cover person and an unlimited lifetime reimbursement limitation. There was no aggregating specific deductible. The City paid the claims and after the claims reached this amount, a private insurance carrier would reimburse the City. Under the aggregate excess coverage, there was an aggregate excess limit of \$1,000,000 with a corridor of 125%.

Effective January 1, 2017, the City became fully insured to provide medical, dental and vision benefits for eligible employees. Retirees eligible for medical coverage are under the same plan. The City is responsible for premium payments and providing eligibility information. The City pays the premium and employee contributions are deducted from payroll and are based on the level of coverage elected.

The City believes that coverage provided by these various insurance policies is adequate to cover any outstanding claims as detailed by the carrier.

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

**16. JOINT VENTURE**

Under Georgia law, the City, in conjunction with other cities and counties in the ten county Atlanta regions, is a member of the Atlanta Regional Commission (ARC). Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the officials of political subdivisions and private citizens representing districts with the Atlanta region. OCGA 50-8-39.1 provides that certain member governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from Atlanta Regional Commission, 229 Peachtree Street #100, Atlanta, Georgia 30303.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**CITY OF ACWORTH, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**

|   | 2020                 | 2019                 | 2018                 | 2017                 | 2016                | 2015                |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| <b>Total pension liability</b>  |                      |                      |                      |                      |                     |                     |
| Service cost  | \$ 437,364           | \$ 402,865           | \$ 379,852           | \$ 364,831           | \$ 292,812          | \$ 281,368          |
| Interest  | 1,085,463            | 976,492              | 807,823              | 745,988              | 672,423             | 616,661             |
| Differences between expected and actual experience                                | 600,526              | 434,513              | 142,465              | (3,829)              | 278,675             | 102,420             |
| Changes of assumptions  | 1,113,438            | -                    | 196,116              | -                    | -                   | (9,772)             |
| Changes of benefit terms  | -                    | -                    | 1,001,149            | -                    | -                   | -                   |
| Benefit payments, including refunds of employee contributions                     | (432,446)            | (358,384)            | (309,431)            | (308,809)            | (280,555)           | (261,769)           |
| <b>Net change in total pension liability</b>                                      | <u>2,804,345</u>     | <u>1,455,486</u>     | <u>2,217,974</u>     | <u>798,181</u>       | <u>963,355</u>      | <u>728,908</u>      |
| <b>Total pension liability - beginning</b>  | <u>14,251,703</u>    | <u>12,796,217</u>    | <u>10,578,243</u>    | <u>9,780,062</u>     | <u>8,816,707</u>    | <u>8,087,799</u>    |
| <b>Total pension liability - ending (a)</b>                                       | <u>\$ 17,056,048</u> | <u>\$ 14,251,703</u> | <u>\$ 12,796,217</u> | <u>\$ 10,578,243</u> | <u>\$ 9,780,062</u> | <u>\$ 8,816,707</u> |
| <b>Plan fiduciary net position</b>  |                      |                      |                      |                      |                     |                     |
| Contributions - employer  | \$ 596,241           | \$ 534,171           | \$ 423,979           | \$ 406,534           | \$ 434,039          | \$ 369,318          |
| Contributions - employee  | 312,418              | 281,419              | 248,431              | 193,653              | 164,243             | 146,390             |
| Net investment income   | 350,717              | 954,892              | 1,218,198            | 780,159              | 62,237              | 648,207             |
| Benefit payments including refunds of employee contributions                      | (432,446)            | (358,384)            | (309,431)            | (308,809)            | (280,555)           | (261,769)           |
| Administrative expense  | (38,243)             | (40,235)             | (42,337)             | (23,770)             | (25,428)            | (20,118)            |
| <b>Net change in plan fiduciary net position</b>                                  | <u>788,687</u>       | <u>1,371,863</u>     | <u>1,538,840</u>     | <u>1,047,767</u>     | <u>354,536</u>      | <u>882,028</u>      |
| <b>Plan fiduciary net position - beginning</b>                                    | <u>10,833,249</u>    | <u>9,461,386</u>     | <u>7,922,546</u>     | <u>6,874,779</u>     | <u>6,520,243</u>    | <u>5,638,215</u>    |
| <b>Plan fiduciary net position - ending (b)</b>                                   | <u>\$ 11,621,936</u> | <u>\$ 10,833,249</u> | <u>\$ 9,461,386</u>  | <u>\$ 7,922,546</u>  | <u>\$ 6,874,779</u> | <u>\$ 6,520,243</u> |
| <b>Net pension liability - ending (a) - (b)</b>                                   | <u>\$ 5,434,112</u>  | <u>\$ 3,418,454</u>  | <u>\$ 3,334,831</u>  | <u>\$ 2,655,697</u>  | <u>\$ 2,905,283</u> | <u>\$ 2,296,464</u> |
| <b>Plan fiduciary net position as a percentage of the total pension liability</b> | 68.14%               | 76.01%               | 73.94%               | 74.89%               | 70.29%              | 73.95%              |
| <b>Covered payroll</b>  | \$ 8,224,751         | \$ 8,018,235         | \$ 7,363,065         | \$ 7,264,396         | \$ 6,891,178        | \$ 5,949,453        |
| <b>Net pension liability as a percentage of covered payroll</b>                   | 66.07%               | 42.63%               | 45.29%               | 36.56%               | 42.16%              | 38.60%              |

2015 was the first fiscal year that data has been measured in accordance with GASB Statement 68. Schedule will show additional years as they become available.

**CITY OF ACWORTH, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PENSION CONTRIBUTIONS**

|   | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> | <u>6/30/2016</u> | <u>6/30/2015</u>   |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|
| Actuarially determined contribution                                     | \$ 635,779       | \$ 583,845       | \$ 466,903       | \$ 465,298       | \$ 396,393       | \$ 394,148         |
| Contributions in relation to the<br>actuarially determined contribution | <u>635,779</u>   | <u>583,845</u>   | <u>466,903</u>   | <u>465,298</u>   | <u>396,393</u>   | <u>433,563</u>     |
| Contribution deficiency (excess)  | <u>\$ -</u>      | <u>\$ (39,415)</u> |
| <br>Covered payroll   | <br>\$ 9,119,107 | <br>\$ 8,801,412 | <br>\$ 8,023,610 | <br>\$ 7,881,656 | <br>\$ 7,383,239 | <br>\$ 6,681,136   |
| Contributions as a percentage of<br>covered payroll                     | 6.97%            | 6.63%            | 5.82%            | 5.90%            | 5.37%            | 6.49%              |

2015 was the first fiscal year that data has been measured in accordance with GASB Statement 68. Schedule will show additional years as they become available.

**CITY OF ACWORTH, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND**  
**RELATED RATIOS**

|   | 2020                 | 2019                 | 2018                 |
|---|----------------------|----------------------|----------------------|
| <b>Total OPEB liability</b>   |                      |                      |                      |
| Service cost  | \$ 696,396           | \$ 747,507           | \$ 954,101           |
| Interest  | 528,196              | 481,856              | 413,784              |
| Changes of benefit terms  | 602,656              | -                    | -                    |
| Differences between expected and actual experience                          | 692,342              | (474,028)            | (77,885)             |
| Changes of assumptions  | 6,122,495            | (474,584)            | (2,102,074)          |
| Benefit payments  | (41,170)             | (40,479)             | (40,336)             |
| <b>Net change in total OPEB liability</b>                                   | 8,600,915            | 240,272              | (852,410)            |
| <b>Total OPEB liability - beginning</b>                                     | 12,972,664           | 12,732,392           | 13,584,802           |
| <b>Total OPEB liability - ending (a)</b>                                    | <u>\$ 21,573,579</u> | <u>\$ 12,972,664</u> | <u>\$ 12,732,392</u> |
| <br>  |                      |                      |                      |
| <b>Covered employee payroll</b>   | \$ 8,801,412         | \$ 8,023,610         | \$ 7,140,512         |
| <b>Total OPEB liability as a percentage<br/>of covered employee payroll</b> | 245.11%              | 161.68%              | 178.31%              |

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

**CITY OF ACWORTH  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|   | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u>     | <u>Variance with<br/>Final Budget -<br/>Positive (Negative)</u> |
|---|------------------------|---------------------|-------------------|---|
| <b>Revenues:</b>                          |                        |                     |                   |   |
| Taxes                                     | \$ 11,312,898          | \$ 11,220,006       | \$ 11,220,009     | \$ 3  |
| Licenses and Permits                      | 388,800                | 457,732             | 457,732           | -   |
| Intergovernmental                         | 42,000                 | 128,130             | 62,351            | (65,779)  |
| Charges for Services                      | 1,259,132              | 965,774             | 965,744           | (30)  |
| Fines and Forfeitures                     | 975,000                | 892,583             | 892,583           | -   |
| Investment Earnings                       | 67,000                 | 126,343             | 126,343           | -   |
| Contributions and Donations               | 51,602                 | 44,921              | 47,091            | 2,170   |
| Other                                     | 51,600                 | 165,864             | 165,864           | -   |
| <b>Total Revenues</b>                     | <b>14,148,032</b>      | <b>14,001,353</b>   | <b>13,937,717</b> | <b>(63,636)</b>   |
| <b>Expenditures:</b>                      |                        |                     |                   |   |
| General Government                        |                        |                     |                   |   |
| Board of Aldermen                         | 236,152                | 213,074             | 211,798           | 1,276   |
| Administration - City Manager's Office    | 582,279                | 565,979             | 564,558           | 1,421   |
| Elections                                 | 8,180                  | 6,089               | 6,087             | 2   |
| Financial Administration                  | 654,101                | 623,089             | 623,086           | 3   |
| Attorney/Legal Services                   | 99,250                 | 63,135              | 62,298            | 837   |
| Information Systems                       | 343,897                | 322,843             | 319,549           | 3,294   |
| Human Resources                           | 236,465                | 226,322             | 223,851           | 2,471   |
| Insurance/Risk Management                 | 315,000                | 303,905             | 303,904           | 1   |
| External Auditors                         | 33,500                 | 32,966              | 32,965            | 1   |
| General Government Building Maintenance   | 318,297                | 301,915             | 300,035           | 1,880   |
| Government Bldg - City Hall               | 81,975                 | 73,478              | 72,481            | 997   |
| Government Bldg - 4400 Acworth Ind Dr     | 124,350                | 124,205             | 122,529           | 1,676   |
| Government Bldg - 4406/4440 Acworth Ind ] | 63,850                 | 60,588              | 58,126            | 2,462   |
| Government Bldg - Other City Property     | 21,600                 | 25,214              | 20,790            | 4,424   |
| Government Bldg - Old Jail                | 2,024                  | 1,092               | 984               | 108   |
| Public Information                        | 3,110                  | 1,300               | 1,250             | 50  |
| General Administration Fees               | 13,500                 | 10,201              | 10,201            | -   |
| Judicial                                  |                        |                     |                   |   |
| Municipal Court                           | 459,786                | 416,034             | 413,919           | 2,115   |
| Public Safety                             |                        |                     |                   |   |
| Police                                    | 5,092,947              | 4,921,019           | 4,913,198         | 7,821   |
| Police Explorers                          | 5,000                  | 2,313               | 2,310             | 3   |
| Jail                                      | 1,194,852              | 1,110,119           | 1,104,526         | 5,593   |
| Public Works                              |                        |                     |                   |   |
| Public Works Administration               | 283,976                | 303,879             | 302,654           | 1,225   |
| Highways and Streets                      | 583,035                | 553,024             | 550,048           | 2,976   |
| Right of Way Mowing                       | 74,000                 | 72,000              | 72,000            | -   |
| Storm Drainage                            | 8,814                  | 2,416               | 2,042             | 374   |
| Fleet Maintenance                         | 171,347                | 155,352             | 151,431           | 3,921   |
| Cemetery                                  | 27,130                 | 28,630              | 27,013            | 1,617   |
| Health and Welfare                        |                        |                     |                   |   |
| Mosquito Control                          | 6,907                  | 652                 | 651               | 1   |

**CITY OF ACWORTH  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u>       | <u>Variance with<br/>Final Budget -<br/>Positive (Negative)</u> |
|--|------------------------|---------------------|---------------------|---|
| Culture and Recreation                                       |                        |                     |                     |   |
| Recreation   | 2,188,444              | 2,153,268           | 2,150,076           | 3,192   |
| Athletics  | 134,471                | 84,207              | 84,205              | 2   |
| Acworth Achievers/Expanding Horizons                         | 46,500                 | 23,169              | 23,168              | 1   |
| Roberts School Recreation Ctr.                               | 28,470                 | 28,093              | 27,365              | 728   |
| Rosenwald School Community Center                            | 6,781                  | 7,131               | 4,205               | 2,926   |
| Community Center   | 191,240                | 131,253             | 130,267             | 986   |
| Neighborhood Playgrounds                                     | 3,620                  | 3,620               | 3,268               | 352   |
| Southshore Park and Beach                                    | 25,280                 | 21,338              | 20,006              | 1,332   |
| Dallas Landing Beach and park                                | 33,680                 | 27,024              | 24,771              | 2,253   |
| Proctor Landing Beach and Park                               | 38,100                 | 27,709              | 27,136              | 573   |
| Acworth Sports Complex                                       | 112,100                | 94,802              | 93,630              | 1,172   |
| Bobby Van Newberry Park                                      | 17,110                 | 7,202               | 7,136               | 66  |
| Cauble Park Facilities                                       | 67,981                 | 68,551              | 67,228              | 1,323   |
| Logan Farm Park Facilities                                   | 102,350                | 75,330              | 75,117              | 213   |
| Summer Camp Operations                                       | 198,375                | 96,459              | 96,459              | -   |
| Special Events Activities                                    | 79,109                 | 59,140              | 59,136              | 4   |
| Senior Citizen Luncheon/Programs                             | 53,391                 | 32,035              | 32,033              | 2   |
| Parks  | 30,500                 | 22,063              | 20,429              | 1,634   |
| Tree Commission  | 9,236                  | 176                 | 176                 | -   |
| Housing and Development                                      |                        |                     |                     |   |
| Soil Erosion Agricultural Res.                               | 62,278                 | 62,179              | 62,053              | 126   |
| Protective Building Inspection                               | 371,856                | 354,164             | 352,983             | 1,181   |
| Planning and Zoning  | 318,578                | 310,069             | 298,932             | 11,137  |
| Historic Preservation  | 1,030                  | -                   | -                   | -   |
| TAD (Disbursement Funds)                                     | 343,652                | 307,863             | 307,862             | 1   |
| Debt Service   | 363,030                | 376,322             | 376,320             | 2   |
| <b>Total Expenditures</b>                                    | <u>15,872,486</u>      | <u>14,894,000</u>   | <u>14,818,245</u>   | <u>75,755</u>   |
| <b>Excess (deficiency) of Revenues<br/>over Expenditures</b> | <u>(1,724,454)</u>     | <u>(892,647)</u>    | <u>(880,528)</u>    | <u>12,119</u>   |
| <b>Other Financing Sources (uses):</b>                       |                        |                     |                     |   |
| Transfers In   | 2,432,608              | 1,669,000           | 1,669,000           | -   |
| Transfers Out  | (758,603)              | (753,547)           | (753,547)           | -   |
| Sale of Capital Assets                                       | -                      | 73,856              | 73,856              | -   |
| <b>Total Other Financing Sources (uses)</b>                  | <u>1,674,005</u>       | <u>989,309</u>      | <u>989,309</u>      | <u>-</u>  |
| <b>Net Change in Fund Balance</b>                            | <u>\$ (50,449)</u>     | <u>\$ 96,662</u>    | <u>108,781</u>      | <u>\$ 12,119</u>  |
| Fund Balance at Beginning of Year - GAAP Basis               |                        |                     | <u>7,919,653</u>    |   |
| Fund Balance at End of Year - GAAP Basis                     |                        |                     | <u>\$ 8,028,434</u> |   |

**CITY OF ACWORTH, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**1. Changes in Assumptions**

Changes in assumptions for Pension Plan:

Amounts reported in the Schedule of Changes in the City's Net Pension Liability and Related Ratios for the fiscal year ending June 30, 2020 reflect the following assumption changes based on an actuarial study conducted in November and December of 2019:

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.
- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 30%.
- Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement

**CITY OF ACWORTH, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.

- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.

Changes of assumptions for OPEB:

Amounts reported in the Schedule of Changes in the City's Total OPEB Liability and Related Ratios for the fiscal year ending June 30, 2020 reflect the following assumption changes based on an actuarial study conducted in November and December of 2019:

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The retirement assumption was revised with the new rates based on expected Normal Retirement age.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation rate changed from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of

**CITY OF ACWORTH, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
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service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.

- The discount rate from the 20-year Bond GO Index for June 30, 2019 was 3.50%. For June 30, 2018 it was 3.87%.

## **2. Methods and Assumptions to Determine Pension Contribution Rates**

Valuation date – The actuarially determined contribution rate for fiscal year 2020 was determined as of January 1, 2019, with an interest adjustment to the fiscal year.

Actuarial cost method – Projected unit credit

Amortization method – Closed level dollar for remaining unfunded liability

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.

Projected salary increase – 2.75% plus service based merit increases

Investment rate of return – 7.50%

Retirement Age – 65

Mortality - RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

## **3. Budgetary Data**

An operating budget is legally adopted each fiscal year for the General, Special Revenue, and the Debt Service Funds. Project length budgets are adopted for the Capital Project Funds at the beginning of each project.

Budgets for the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that the Capital Project Funds adopt project length budgets.

The City generally follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed operating budget including proposed expenditures and the means of financing them is submitted to the Board of Aldermen and the citizens by the City Manager by publication in the official Marietta Daily Journal newspaper.

**CITY OF ACWORTH, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
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2. A public hearing on the budget is held, giving notice thereof at least ten days in advance.
3. The budget is then revised and adopted or amended by the Board of Aldermen at the first regular meeting following the hearing.
4. The level of control (the level at which expenditures may not legally exceed appropriations) for each of the above adopted budgets is at the department level. The City's department heads may make transfers of appropriations within a department. Certain transfers of appropriations between departments require the approval of the Mayor and Board of Aldermen. The total budget so adopted may be revised during the year only by formal action of the Board of Aldermen in a regular meeting and no increase shall be made therein without provision also being made for financing the same. For a non-budgeted activity or item, or one which has a high likelihood of exceeding the budget appropriation, approval must come from the Mayor and Board of Aldermen.
5. Formal budgetary integration is employed as a management control device during the year for all funds.

Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted, or as amended, by the Board of Aldermen. Individual amendments were not material in relation to the original appropriations which were amended.

Unencumbered appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects Funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

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# **GOVERNMENTAL FUNDS**

## **NONMAJOR COMBINING STATEMENTS**

**CITY OF ACWORTH, GEORGIA**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2020**

|  | Special Revenue Funds |                         |                    |                   |                            |                        | Capital Projects Fund                  |                     |                 |                     |
|--|-----------------------|-------------------------|--------------------|-------------------|----------------------------|------------------------|--|---------------------|-----------------|---------------------|
|  | Hotel/Motel Tax       | Recreational Impact Fee | Confiscated Assets | Soil Erosion Fees | Emergency Telephone System | Acworth Lake Authority | Acworth Downtown Development Authority | Capital Improvement | Debt Service    | Total Nonmajor      |
| <b>Assets:</b>                             |                       |                         |                    |                   |                            |                        |  |                     |                 |                     |
| Investments                                | \$ -                  | \$ -                    | \$ -               | \$ -              | \$ -                       | \$ -                   | \$ -                                   | \$ 9,673            | \$ -            | \$ 9,673            |
| Receivables                                | -                     | -                       | -                  | -                 | -                          | -                      | 430                                    | -                   | -               | 430                 |
| Prepaid items                              | -                     | -                       | -                  | -                 | -                          | -                      | -                                      | 55,944              | -               | 55,944              |
| Due from other governments                 | 22,839                | -                       | -                  | -                 | 79,848                     | -                      | -                                      | 42,532              | -               | 145,219             |
| Due from other funds                       | -                     | -                       | -                  | 954               | -                          | 35,472                 | 55,923                                 | 482,697             | -               | 575,046             |
| Restricted assets:                         |                       |                         |                    |                   |                            |                        |  |                     |                 |                     |
| Cash                                       | -                     | 15,500                  | 158,131            | -                 | -                          | -                      | -                                      | 435,037             | 1,500           | 610,168             |
| Investments                                | -                     | 33,996                  | 584,822            | 11,437            | -                          | -                      | -                                      | -                   | -               | 630,255             |
| <b>Total assets</b>                        | <b>\$ 22,839</b>      | <b>\$ 49,496</b>        | <b>\$ 742,953</b>  | <b>\$ 12,391</b>  | <b>\$ 79,848</b>           | <b>\$ 35,472</b>       | <b>\$ 56,353</b>                       | <b>\$ 1,025,883</b> | <b>\$ 1,500</b> | <b>\$ 2,026,735</b> |
| <b>Liabilities:</b>                        |                       |                         |                    |                   |                            |                        |  |                     |                 |                     |
| Accounts payable                           | \$ 14,807             | \$ -                    | \$ -               | \$ 150            | \$ -                       | \$ -                   | \$ 10,023                              | \$ 19,516           | \$ -            | \$ 44,496           |
| Due to other funds                         | 8,032                 | -                       | 164                | -                 | -                          | -                      | -                                      | -                   | 1,500           | 9,696               |
| Due to other governments                   | -                     | -                       | -                  | -                 | 79,848                     | -                      | -                                      | -                   | -               | 79,848              |
| Unearned revenue                           | -                     | -                       | 20,344             | -                 | -                          | -                      | -                                      | -                   | -               | 20,344              |
| <b>Total liabilities</b>                   | <b>22,839</b>         | <b>-</b>                | <b>20,508</b>      | <b>150</b>        | <b>79,848</b>              | <b>-</b>               | <b>10,023</b>                          | <b>19,516</b>       | <b>1,500</b>    | <b>154,384</b>      |
| <b>Fund balances:</b>                      |                       |                         |                    |                   |                            |                        |  |                     |                 |                     |
| Nonspendable                               | -                     | -                       | -                  | -                 | -                          | -                      | -                                      | 55,944              | -               | 55,944              |
| Restricted                                 | -                     | 49,496                  | 722,445            | 12,241            | -                          | -                      | -                                      | 574,739             | -               | 1,358,921           |
| Assigned                                   | -                     | -                       | -                  | -                 | -                          | 35,472                 | 46,330                                 | 375,684             | -               | 457,486             |
| <b>Total fund balances</b>                 | <b>-</b>              | <b>49,496</b>           | <b>722,445</b>     | <b>12,241</b>     | <b>-</b>                   | <b>35,472</b>          | <b>46,330</b>                          | <b>1,006,367</b>    | <b>-</b>        | <b>1,872,351</b>    |
| <b>Total liabilities and fund balances</b> | <b>\$ 22,839</b>      | <b>\$ 49,496</b>        | <b>\$ 742,953</b>  | <b>\$ 12,391</b>  | <b>\$ 79,848</b>           | <b>\$ 35,472</b>       | <b>\$ 56,353</b>                       | <b>\$ 1,025,883</b> | <b>\$ 1,500</b> | <b>\$ 2,026,735</b> |

**CITY OF ACWORTH, GEORGIA**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | Special Revenue Funds |                         |                    |                   |                            |                        | Capital Project Fund                   |                     |                  |                     |
|--|-----------------------|-------------------------|--------------------|-------------------|----------------------------|------------------------|--|---------------------|------------------|---------------------|
|  | Hotel/Motel Tax       | Recreational Impact Fee | Confiscated Assets | Soil Erosion Fees | Emergency Telephone System | Acworth Lake Authority | Acworth Downtown Development Authority | Capital Improvement | Debt Service     | Total Nonmajor      |
| <b>Revenues:</b>   |                       |                         |                    |                   |                            |                        |  |                     |                  |                     |
| Taxes  | \$ 296,014            | \$ -                    | \$ -               | \$ -              | \$ -                       | \$ -                   | \$ -                                   | \$ -                | \$ 164,911       | \$ 460,925          |
| Intergovernmental  | -                     | -                       | -                  | -                 | -                          | -                      | -                                      | 415,299             | 655,739          | 1,071,038           |
| Charges for services   | -                     | 11,000                  | -                  | 2,690             | 480,096                    | -                      | -                                      | -                   | -                | 493,786             |
| Fines and forfeitures  | -                     | -                       | 18,849             | -                 | -                          | -                      | -                                      | -                   | -                | 18,849              |
| Investment earnings  | -                     | 502                     | 7,502              | 169               | -                          | -                      | -                                      | 10,856              | -                | 19,029              |
| Other  | -                     | -                       | -                  | -                 | -                          | -                      | 2,881                                  | -                   | -                | 2,881               |
| <b>Total revenues</b>  | <b>296,014</b>        | <b>11,502</b>           | <b>26,351</b>      | <b>2,859</b>      | <b>480,096</b>             | <b>-</b>               | <b>2,881</b>                           | <b>426,155</b>      | <b>820,650</b>   | <b>2,066,508</b>    |
| <b>Expenditures:</b>   |                       |                         |                    |                   |                            |                        |  |                     |                  |                     |
| Current:   |                       |                         |                    |                   |                            |                        |  |                     |                  |                     |
| Public safety  | -                     | -                       | 44,600             | -                 | 480,096                    | -                      | -                                      | -                   | -                | 524,696             |
| Public works   | -                     | -                       | -                  | 1,718             | -                          | -                      | -                                      | -                   | -                | 1,718               |
| Housing and development  | -                     | -                       | -                  | -                 | -                          | -                      | 46,714                                 | -                   | -                | 46,714              |
| Culture and recreation   | 185,009               | -                       | -                  | -                 | -                          | 1,734                  | 3,500                                  | -                   | -                | 190,243             |
| Capital outlay   | -                     | -                       | -                  | -                 | -                          | -                      | -                                      | 730,539             | -                | 730,539             |
| Debt service   | -                     | -                       | -                  | -                 | -                          | -                      | 1,506,949                              | -                   | 512,787          | 2,019,736           |
| <b>Total expenditures</b>  | <b>185,009</b>        | <b>-</b>                | <b>44,600</b>      | <b>1,718</b>      | <b>480,096</b>             | <b>1,734</b>           | <b>1,557,163</b>                       | <b>730,539</b>      | <b>512,787</b>   | <b>3,513,646</b>    |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>111,005</b>        | <b>11,502</b>           | <b>(18,249)</b>    | <b>1,141</b>      | <b>-</b>                   | <b>(1,734)</b>         | <b>(1,554,282)</b>                     | <b>(304,384)</b>    | <b>307,863</b>   | <b>(1,447,138)</b>  |
| <b>Other financing sources (uses):</b>                           |                       |                         |                    |                   |                            |                        |  |                     |                  |                     |
| Transfers in   | -                     | -                       | -                  | -                 | -                          | 10,000                 | 1,417,087                              | -                   | -                | 1,427,087           |
| Transfers out  | (111,005)             | -                       | -                  | -                 | -                          | -                      | -                                      | -                   | (307,863)        | (418,868)           |
| Issuance of debt   | -                     | -                       | -                  | -                 | -                          | -                      | 5,515,000                              | -                   | -                | 5,515,000           |
| Payment to refunded bond escrow agent                            | -                     | -                       | -                  | -                 | -                          | -                      | (5,388,963)                            | -                   | -                | (5,388,963)         |
| Sale of capital assets   | -                     | -                       | -                  | -                 | -                          | -                      | -                                      | 266,250             | -                | 266,250             |
| <b>Total other financing sources (uses)</b>                      | <b>(111,005)</b>      | <b>-</b>                | <b>-</b>           | <b>-</b>          | <b>-</b>                   | <b>10,000</b>          | <b>1,543,124</b>                       | <b>266,250</b>      | <b>(307,863)</b> | <b>1,400,506</b>    |
| <b>Net change in fund balance</b>                                | <b>-</b>              | <b>11,502</b>           | <b>(18,249)</b>    | <b>1,141</b>      | <b>-</b>                   | <b>8,266</b>           | <b>(11,158)</b>                        | <b>(38,134)</b>     | <b>-</b>         | <b>(46,632)</b>     |
| <b>Fund balance at beginning of year</b>                         | <b>-</b>              | <b>37,994</b>           | <b>740,694</b>     | <b>11,100</b>     | <b>-</b>                   | <b>27,206</b>          | <b>57,488</b>                          | <b>1,044,501</b>    | <b>-</b>         | <b>1,918,983</b>    |
| <b>Fund balance at end of year</b>                               | <b>\$ -</b>           | <b>\$ 49,496</b>        | <b>\$ 722,445</b>  | <b>\$ 12,241</b>  | <b>\$ -</b>                | <b>\$ 35,472</b>       | <b>\$ 46,330</b>                       | <b>\$ 1,006,367</b> | <b>\$ -</b>      | <b>\$ 1,872,351</b> |

## **GENERAL FUND**

The General Fund is the principal fund of the City and is used to account for all activities of the City not in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e., police, recreation, public works, general government, etc.). These activities are funded primarily by property taxes on individuals and businesses.

**CITY OF ACWORTH, GEORGIA  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|  | 2020                | 2019                 |
|--|---------------------|----------------------|
| <b>Assets:</b>   |                     |                      |
| Cash   | \$ 3,359,103        | \$ 3,801,804         |
| Investments  | 2,795,936           | 3,203,288            |
| Receivables (net of allowance for estimated uncollectibles):               |                     |                      |
| Taxes  | 39,495              | 25,290               |
| Interest   | 13,257              | 14,118               |
| Other  | 44,084              | 13,942               |
| Due from other governments   | 18,964              | 1,873                |
| Due from other funds   | 40,238              | 133,747              |
| Prepaid items  | 325,252             | 327,501              |
| Restricted assets:   |                     |                      |
| Cash   | 3,221,867           | 3,581,072            |
| <b>Total assets</b>  | <b>\$ 9,858,196</b> | <b>\$ 11,102,635</b> |
| <b>Liabilities:</b>  |                     |                      |
| Accounts payable   | \$ 267,991          | \$ 289,663           |
| Accrued liabilities  | 149,668             | 331,328              |
| Due to other funds   | 977,313             | 1,928,275            |
| Due to component unit  | 101,544             | 73,515               |
| Unearned revenue   | 293,909             | 526,312              |
| <b>Total liabilities</b>   | 1,790,425           | 3,149,093            |
| <b>Deferred inflows of resources:</b>                                      |                     |                      |
| Unavailable revenue - property taxes                                       | 39,337              | 33,889               |
| <b>Fund balances:</b>  |                     |                      |
| Nonspendable   | 325,252             | 327,501              |
| Restricted   | 3,005,122           | 3,004,280            |
| Committed  | 11,726              | -                    |
| Assigned   | 66,793              | 37,970               |
| Unassigned   | 4,619,541           | 4,549,902            |
| <b>Total fund balance</b>  | 8,028,434           | 7,919,653            |
| <b>Total liabilities, deferred inflows of resources, and fund balances</b> | <b>\$ 9,858,196</b> | <b>\$ 11,102,635</b> |

**CITY OF ACWORTH, GEORGIA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020  | 2019                |
|--|---|---------------------|
| <b>Revenues:</b>   |   |                     |
| Taxes  | \$ 11,220,009                               | \$ 10,975,050       |
| Licenses and permits   | 457,732                                     | 493,986             |
| Intergovernmental  | 62,351                                      | 51,415              |
| Charges for services   | 965,744                                     | 1,106,748           |
| Fines and forfeitures  | 892,583                                     | 1,086,151           |
| Investment earnings  | 126,343                                     | 86,951              |
| Contributions and donations  | 47,091                                      | 60,473              |
| Other  | 165,864                                     | 85,379              |
|  | <b>Total revenues</b>                       | <b>13,946,153</b>   |
|  | 13,937,717                                  | 13,946,153          |
| <b>Expenditures:</b>   |   |                     |
| Current:   |   |                     |
| General government   | 2,934,492                                   | 2,945,373           |
| Public safety  | 6,020,034                                   | 5,868,982           |
| Public works   | 1,105,188                                   | 1,525,389           |
| Health and welfare   | 651   | 5,239               |
| Housing and development  | 1,021,830                                   | 1,209,504           |
| Judicial   | 413,919                                     | 439,560             |
| Culture and recreation   | 2,945,811                                   | 2,868,882           |
| Debt service   | 376,320                                     | 354,215             |
|  | <b>Total expenditures</b>                   | <b>15,217,144</b>   |
|  | 14,818,245                                  | 15,217,144          |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(880,528)</b>                            | <b>(1,270,991)</b>  |
|  | (880,528)                                   | (1,270,991)         |
| <b>Other financing sources (uses):</b>                               |   |                     |
| Transfers in   | 1,669,000                                   | 2,148,227           |
| Transfers out  | (753,547)                                   | (1,051,821)         |
| Issuance of debt   | -   | 160,962             |
| Sale of capital assets   | 73,856                                      | 24,961              |
|  | <b>Total other financing sources (uses)</b> | <b>1,282,329</b>    |
|  | 989,309                                     | 1,282,329           |
| <b>Net change in fund balance</b>                                    | <b>108,781</b>                              | <b>11,338</b>       |
|  | 108,781                                     | 11,338              |
| <b>Fund balance at beginning of year</b>                             | <b>7,919,653</b>                            | <b>7,908,315</b>    |
|  | 7,919,653                                   | 7,908,315           |
| <b>Fund balance at end of year</b>                                   | <b>\$ 8,028,434</b>                         | <b>\$ 7,919,653</b> |
|  | \$ 8,028,434                                | \$ 7,919,653        |

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenues which are legally restricted to finance specific functions or activities of the government and which, therefore, cannot be diverted to other uses.

***Hotel/Motel Tax*** – To account for the receipt of funds from imposition of the hotel/motel tax which is to be used primarily for the promotion of tourism.

***Recreational Impact Fee*** – To account for the receipt of funds from imposition of the recreational impact fee which is to be used to finance public facilities necessary to promote and accommodate orderly growth and development.

***Confiscated Asset Fund*** – To account for confiscated cash seizures from drug related crimes.

***Soil Erosion Fees*** – To account for the receipt of money from fees for Land Disturbance permits and National Pollution Discharge Elimination System permit which is to be used for the implementation of local erosion and sediment control programs.

***Emergency Telephone System Fund*** – To account for the receipt of prepaid wireless 9-1-1 fees and non-prepaid wireless 9-1-1 fees from the Georgia Department of Revenue who is the contracted collection partner of the Georgia Emergency Communications Authority.

***Acworth Lake Authority*** – To account for activities related to develop Lake Acworth shore and adjoining land areas as parks and recreational facilities and the related debt is expected to be repaid with City resources.

***Acworth Downtown Development Authority*** – To account for activities related to the redevelopment of the downtown Acworth district and the accumulation of resources for payment of several special revenue bond issues.

**CITY OF ACWORTH, GEORGIA  
HOTEL/MOTEL TAX  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|                            | 2020             | 2019             |
|----------------------------|------------------|------------------|
| <b>Assets:</b>             |                  |                  |
| Due from other governments | \$ 22,839        | \$ 35,510        |
| Due from other funds       | -                | 9,777            |
| <b>Total assets</b>        | <b>\$ 22,839</b> | <b>\$ 45,287</b> |
| <b>Liabilities:</b>        |                  |                  |
| Accounts payable           | \$ 14,807        | \$ 45,287        |
| Due to other funds         | 8,032            | -                |
| <b>Total liabilities</b>   | <b>\$ 22,839</b> | <b>\$ 45,287</b> |

**CITY OF ACWORTH, GEORGIA  
HOTEL/MOTEL TAX  
SPECIAL REVENUE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020       | 2019       |
|--|------------|------------|
| <b>Revenues:</b>   |            |            |
| Taxes  | \$ 296,014 | \$ 405,486 |
| <b>Expenditures:</b>   |            |            |
| Current:   |            |            |
| Culture and recreation   | 185,009    | 253,429    |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | 111,005    | 152,057    |
| <b>Other financing sources (uses):</b>                               |            |            |
| Transfers out  | (111,005)  | (152,057)  |
| <b>Net change in fund balance</b>                                    | -          | -          |
| <b>Fund balance at beginning of year</b>                             | -          | -          |
| <b>Fund balance at end of year</b>                                   | \$ -       | \$ -       |

**CITY OF ACWORTH, GEORGIA  
HOTEL/MOTEL TAX  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>      | <u>Actual</u>      | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|--------------------|--------------------|---|
| <b>Revenues:</b>   |                    |                    |   |
| Taxes  | \$ 296,014         | \$ 296,014         | \$ -  |
| <b>Expenditures:</b>   |                    |                    |   |
| Current:   |                    |                    |   |
| Culture and recreation   | 185,009            | 185,009            | -   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>111,005</u>     | <u>111,005</u>     | <u>-</u>  |
| <b>Other financing sources (uses):</b>                               |                    |                    |   |
| Transfers out  | <u>(111,005)</u>   | <u>(111,005)</u>   | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u><u>\$ -</u></u> | <u>-</u>           | <u><u>\$ -</u></u>  |
| <b>Fund balance at beginning of year</b>                             |                    | <u>-</u>           |   |
| <b>Fund balance at end of year</b>                                   |                    | <u><u>\$ -</u></u> |   |

**CITY OF ACWORTH, GEORGIA  
RECREATIONAL IMPACT FEE  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|                           | 2020             | 2019             |
|---------------------------|------------------|------------------|
| <b>Assets:</b>            |                  |                  |
| Due from other funds      | \$ -             | \$ 4,500         |
| Restricted assets:        |                  |                  |
| Cash                      | 15,500           | -                |
| Investments               | 33,996           | 33,494           |
| <b>Total assets</b>       | <b>\$ 49,496</b> | <b>\$ 37,994</b> |
| <b>Fund balance:</b>      |                  |                  |
| Restricted                | 49,496           | 37,994           |
| <b>Total fund balance</b> | <b>\$ 49,496</b> | <b>\$ 37,994</b> |

**CITY OF ACWORTH, GEORGIA  
RECREATIONAL IMPACT FEE  
SPECIAL REVENUE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020             | 2019             |
|--|------------------|------------------|
| <b>Revenues:</b>   |                  |                  |
| Charges for services   | \$ 11,000        | \$ 78,000        |
| Investment earnings  | 502              | 2,468            |
|  | 11,502           | 80,468           |
| <b>Total revenues</b>  | <b>11,502</b>    | <b>80,468</b>    |
| <b>Expenditures:</b>   |                  |                  |
| Current:   |                  |                  |
| Culture and recreation   | -                | 184,775          |
|  | -                | 184,775          |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>11,502</b>    | <b>(104,307)</b> |
| <b>Net change in fund balance</b>                                    | <b>11,502</b>    | <b>(104,307)</b> |
| <b>Fund balance at beginning of year</b>                             | <b>37,994</b>    | <b>142,301</b>   |
| <b>Fund balance at end of year</b>                                   | <b>\$ 49,496</b> | <b>\$ 37,994</b> |

**CITY OF ACWORTH, GEORGIA  
RECREATIONAL IMPACT FEE  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | Budget           | Actual           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|------------------|---|
| <b>Revenues:</b>   |                  |                  |   |
| Charges for services   | \$ 11,000        | \$ 11,000        | \$ -  |
| Investment earnings  | 502              | 502              | -   |
| <b>Total revenues</b>  | <b>11,502</b>    | <b>11,502</b>    | <b>-</b>  |
| <b>Expenditures:</b>   |                  |                  |   |
| Current:   |                  |                  |   |
| Culture and recreation   | -                | -                | -   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>11,502</b>    | <b>11,502</b>    | <b>-</b>  |
| <b>Net change in fund balance</b>                                    | <b>\$ 11,502</b> | <b>11,502</b>    | <b>\$ -</b>   |
| <b>Fund balance at beginning of year</b>                             |                  | <b>37,994</b>    |   |
| <b>Fund balance at end of year</b>                                   |                  | <b>\$ 49,496</b> |   |

**CITY OF ACWORTH, GEORGIA  
CONFISCATED ASSETS FUND  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|  | 2020              | 2019              |
|--|-------------------|-------------------|
| <b>Assets:</b>                             |                   |                   |
| Restricted assets:                         |                   |                   |
| Cash                                       | \$ 158,131        | \$ 475,091        |
| Investments                                | 584,822           | 277,319           |
| <b>Total assets</b>                        | <b>\$ 742,953</b> | <b>\$ 752,410</b> |
| <b>Liabilities:</b>                        |                   |                   |
| Accounts payable                           | \$ -              | \$ 327            |
| Due to other funds                         | 164               | 995               |
| Unearned revenue                           | 20,344            | 10,394            |
| <b>Total liabilities</b>                   | <b>20,508</b>     | <b>11,716</b>     |
| <b>Fund balance:</b>                       |                   |                   |
| Restricted                                 | 722,445           | 740,694           |
| <b>Total fund balance</b>                  | <b>722,445</b>    | <b>740,694</b>    |
| <b>Total liabilities and fund balances</b> | <b>\$ 742,953</b> | <b>\$ 752,410</b> |

**CITY OF ACWORTH, GEORGIA  
CONFISCATED ASSETS FUND  
SPECIAL REVENUE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020       | 2019       |
|--|------------|------------|
| <b>Revenues:</b>   |            |            |
| Fines and forfeitures  | \$ 18,849  | \$ 276,878 |
| Investment earnings  | 7,502      | 2,438      |
|  |            |            |
| <b>Total revenues</b>  | 26,351     | 279,316    |
| <b>Expenditures:</b>   |            |            |
| Current:   |            |            |
| Public safety  | 44,600     | 102,715    |
|  |            |            |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | (18,249)   | 176,601    |
| <b>Net change in fund balance</b>                                    | (18,249)   | 176,601    |
| <b>Fund balance at beginning of year</b>                             | 740,694    | 564,093    |
| <b>Fund balance at end of year</b>                                   | \$ 722,445 | \$ 740,694 |

**CITY OF ACWORTH, GEORGIA  
CONFISCATED ASSETS FUND  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | Budget             | Actual            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|--------------------|-------------------|---|
| <b>Revenues:</b>   |                    |                   |   |
| Fines and forfeitures  | \$ 18,849          | \$ 18,849         | \$ -  |
| Investment earnings  | 7,502              | 7,502             | -   |
| <b>Total revenues</b>  | <u>26,351</u>      | <u>26,351</u>     | <u>-</u>  |
| <b>Expenditures:</b>   |                    |                   |   |
| Current:   |                    |                   |   |
| Public safety  | 44,600             | 44,600            | -   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>(18,249)</u>    | <u>(18,249)</u>   | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u>\$ (18,249)</u> | <u>(18,249)</u>   | <u>\$ -</u>   |
| <b>Fund balance at beginning of year</b>                             |                    | <u>740,694</u>    |   |
| <b>Fund balance at end of year</b>                                   |                    | <u>\$ 722,445</u> |   |

**CITY OF ACWORTH, GEORGIA  
SOIL EROSION FEES  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|   | 2020             | 2019             |
|---|------------------|------------------|
| <b>Assets:</b>                            |                  |                  |
| Due from other funds                      | \$ 954           | \$ 304           |
| Restricted assets:                        |                  |                  |
| Investments                               | 11,437           | 11,268           |
| <b>Total assets</b>                       | <b>\$ 12,391</b> | <b>\$ 11,572</b> |
| <b>Liabilities:</b>                       |                  |                  |
| Accounts payable                          | \$ 150           | \$ 389           |
| Due to other funds                        | -                | 83               |
| <b>Total liabilities</b>                  | 150              | 472              |
| <b>Fund balance:</b>                      |                  |                  |
| Restricted                                | 12,241           | 11,100           |
| <b>Total fund balance</b>                 | 12,241           | 11,100           |
| <b>Total liabilities and fund balance</b> | <b>\$ 12,391</b> | <b>\$ 11,572</b> |

**CITY OF ACWORTH, GEORGIA**  
**SOIL EROSION FEES**  
**SPECIAL REVENUE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020      | 2019      |
|--|-----------|-----------|
| <b>Revenues:</b>   |           |           |
| Charges for services   | \$ 2,690  | \$ 2,140  |
| Investment earnings  | 169       | 254       |
|  | 2,859     | 2,394     |
| <b>Total revenues</b>  |           |           |
| <b>Expenditures:</b>   |           |           |
| Current:   |           |           |
| Public works   | 1,718     | 1,719     |
|  | 1,718     | 1,719     |
| <b>Total expenditures</b>  |           |           |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | 1,141     | 675       |
| <b>Net change in fund balance</b>                                    | 1,141     | 675       |
| <b>Fund balance at beginning of year</b>                             | 11,100    | 10,425    |
| <b>Fund balance at end of year</b>                                   | \$ 12,241 | \$ 11,100 |

**CITY OF ACWORTH, GEORGIA  
SOIL EROSION FEES  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>          | <u>Actual</u>           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------------|-------------------------|---|
| <b>Revenues:</b>   |                        |                         |   |
| Charges for services   | \$ 2,690               | \$ 2,690                | \$ -  |
| Investment earnings  | <u>169</u>             | <u>169</u>              | <u>-</u>  |
| <b>Total revenues</b>  | <u>2,859</u>           | <u>2,859</u>            | <u>-</u>  |
| <b>Expenditures:</b>   |                        |                         |   |
| Current:   |                        |                         |   |
| Public works   | <u>1,718</u>           | <u>1,718</u>            | <u>-</u>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>1,141</u>           | <u>1,141</u>            | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u><u>\$ 1,141</u></u> | 1,141                   | <u><u>\$ -</u></u>  |
| <b>Fund balance at beginning of year</b>                             |                        | <u>11,100</u>           |   |
| <b>Fund balance at end of year</b>                                   |                        | <u><u>\$ 12,241</u></u> |   |

**CITY OF ACWORTH, GEORGIA  
EMERGENCY TELEPHONE SYSTEM  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|   | 2020      | 2019       |
|---|-----------|------------|
| <b>Assets:</b>                            |           |            |
| Due from other governments                | \$ 79,848 | \$ 117,305 |
| <b>Total assets</b>                       | \$ 79,848 | \$ 117,305 |
| <b>Liabilities:</b>                       |           |            |
| Due to other governments                  | \$ 79,848 | \$ 117,305 |
| <b>Total liabilities</b>                  | 79,848    | 117,305    |
| <b>Fund balance:</b>                      |           |            |
| Restricted                                | -         | -          |
| <b>Total fund balance</b>                 | -         | -          |
| <b>Total liabilities and fund balance</b> | \$ 79,848 | \$ 117,305 |

**CITY OF ACWORTH, GEORGIA  
EMERGENCY TELEPHONE SYSTEM  
SPECIAL REVENUE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020       | 2019       |
|--|------------|------------|
| <b>Revenues:</b>                         |            |            |
| Charges for services                     | \$ 480,096 | \$ 499,484 |
| <b>Total revenues</b>                    | 480,096    | 499,484    |
| <b>Expenditures:</b>                     |            |            |
| Current:                                 |            |            |
| Public safety                            | 480,096    | 499,484    |
| <b>Total expenditures</b>                | 480,096    | 499,484    |
| <b>Net change in fund balance</b>        | -          | -          |
| <b>Fund balance at beginning of year</b> | -          | -          |
| <b>Fund balance at end of year</b>       | \$ -       | \$ -       |

**CITY OF ACWORTH, GEORGIA  
EMERGENCY TELEPHONE SYSTEM  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>  | <u>Actual</u>  | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|----------------|----------------|---|
| <b>Revenues:</b>   |                |                |   |
| Charges for services   | \$ 480,096     | \$ 480,096     | \$ -  |
| <b>Total revenues</b>  | <u>480,096</u> | <u>480,096</u> | <u>-</u>  |
| <b>Expenditures:</b>   |                |                |   |
| Current:   |                |                |   |
| Public safety  | 480,096        | 480,096        | -   |
| <b>Total expenditures</b>  | <u>480,096</u> | <u>480,096</u> | <u>-</u>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>-</u>       | <u>-</u>       | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u>\$ -</u>    | -              | <u>\$ -</u>   |
| <b>Fund balance at beginning of year</b>                             |                | <u>-</u>       |   |
| <b>Fund balance at end of year</b>                                   |                | <u>\$ -</u>    |   |

**CITY OF ACWORTH, GEORGIA  
ACWORTH LAKE AUTHORITY  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|   | 2020      | 2019      |
|---|-----------|-----------|
| <b>Assets:</b>                            |           |           |
| Due from other funds                      | \$ 35,472 | \$ 27,239 |
| <b>Total assets</b>                       | \$ 35,472 | \$ 27,239 |
| <b>Liabilities:</b>                       |           |           |
| Accounts payable                          | \$ -      | \$ 33     |
| <b>Total liabilities</b>                  | -         | 33        |
| <b>Fund balance:</b>                      |           |           |
| Committed                                 | -         | 856       |
| Assigned                                  | 35,472    | 26,350    |
| <b>Total fund balance</b>                 | 35,472    | 27,206    |
| <b>Total liabilities and fund balance</b> | \$ 35,472 | \$ 27,239 |

**CITY OF ACWORTH, GEORGIA  
ACWORTH LAKE AUTHORITY  
SPECIAL REVENUE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020      | 2019      |
|--|-----------|-----------|
| <b>Revenues:</b>   |           |           |
| Intergovernmental  | \$ -      | \$ -      |
| <b>Expenditures:</b>   |           |           |
| Current:   |           |           |
| Culture and recreation   | 1,734     | 19,547    |
| <b>Total expenditures</b>  | 1,734     | 19,547    |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | (1,734)   | (19,547)  |
| <b>Other financing sources (uses):</b>                               |           |           |
| Transfers in   | 10,000    | 10,000    |
| <b>Total other financing sources (uses)</b>                          | 10,000    | 10,000    |
| <b>Net change in fund balance</b>                                    | 8,266     | (9,547)   |
| <b>Fund balance at beginning of year</b>                             | 27,206    | 36,753    |
| <b>Fund balance at end of year</b>                                   | \$ 35,472 | \$ 27,206 |

**CITY OF ACWORTH, GEORGIA  
ACWORTH LAKE AUTHORITY  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | <u>Budget</u>          | <u>Actual</u>           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------------|-------------------------|---|
| <b>Expenditures:</b>   |                        |                         |   |
| Current:   |                        |                         |   |
| Culture and recreation   | <u>\$ 1,850</u>        | <u>\$ 1,734</u>         | <u>\$ 116</u>   |
| <b>Total expenditures</b>  | <u>1,850</u>           | <u>1,734</u>            | <u>116</u>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>(1,850)</u>         | <u>(1,734)</u>          | <u>116</u>  |
| <b>Other financing sources (uses):</b>                               |                        |                         |   |
| Transfers in   | <u>10,000</u>          | <u>10,000</u>           | <u>-</u>  |
| <b>Total other financing sources (uses)</b>                          | <u>10,000</u>          | <u>10,000</u>           | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u><u>\$ 8,150</u></u> | 8,266                   | <u><u>\$ 116</u></u>                                      |
| <b>Fund balance at beginning of year</b>                             |                        | <u>27,206</u>           |   |
| <b>Fund balance at end of year</b>                                   |                        | <u><u>\$ 35,472</u></u> |   |

**CITY OF ACWORTH, GEORGIA  
ACWORTH DOWNTOWN DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|   | 2020             | 2019             |
|---|------------------|------------------|
| <b>Assets:</b>                            |                  |                  |
| Accounts receivable                       | \$ 430           | \$ 117           |
| Due from other funds                      | 55,923           | 62,957           |
| <b>Total assets</b>                       | <b>\$ 56,353</b> | <b>\$ 63,074</b> |
| <b>Liabilities:</b>                       |                  |                  |
| Accounts payable                          | \$ 10,023        | \$ 5,586         |
| <b>Total liabilities</b>                  | 10,023           | 5,586            |
| <b>Fund balance:</b>                      |                  |                  |
| Assigned                                  | 46,330           | 57,488           |
| <b>Total fund balance</b>                 | 46,330           | 57,488           |
| <b>Total liabilities and fund balance</b> | <b>\$ 56,353</b> | <b>\$ 63,074</b> |

**CITY OF ACWORTH, GEORGIA**  
**ACWORTH DOWNTOWN DEVELOPMENT AUTHORITY**  
**SPECIAL REVENUE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020        | 2019        |
|--|-------------|-------------|
| <b>Revenues:</b>   |             |             |
| Other  | \$ 2,881    | \$ 1,902    |
| <b>Total revenues</b>  | 2,881       | 1,902       |
| <b>Expenditures:</b>   |             |             |
| Current:   |             |             |
| Housing and development  | 46,714      | 38,307      |
| Culture and recreation   | 3,500       | 3,500       |
| Debt service   | 1,506,949   | 1,429,405   |
| <b>Total expenditures</b>  | 1,557,163   | 1,471,212   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | (1,554,282) | (1,469,310) |
| <b>Other financing sources (uses):</b>                               |             |             |
| Transfers in   | 1,417,087   | 1,462,569   |
| Issuance of debt   | 5,515,000   | -           |
| Payment to refunded bond escrow agent                                | (5,388,963) | -           |
| Sale of capital assets   | -           | 60,000      |
| <b>Total other financing sources (uses)</b>                          | 1,543,124   | 1,522,569   |
| <b>Net change in fund balance</b>                                    | (11,158)    | 53,259      |
| <b>Fund balance at beginning of year</b>                             | 57,488      | 4,229       |
| <b>Fund balance at end of year</b>                                   | \$ 46,330   | \$ 57,488   |

**CITY OF ACWORTH, GEORGIA  
ACWORTH DOWNTOWN DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | Final<br>Budget           | Actual                  | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-------------------------|---|
| <b>Revenues:</b>   |                           |                         |   |
| Other  | \$ 2,881                  | \$ 2,881                | \$ -  |
| <b>Total revenues</b>  | <u>2,881</u>              | <u>2,881</u>            | <u>-</u>  |
| <b>Expenditures:</b>   |                           |                         |   |
| Current:   |                           |                         |   |
| Housing and development  | 46,714                    | 46,714                  | -   |
| Culture and recreation   | 3,500                     | 3,500                   | -   |
| Debt service   | 1,506,949                 | 1,506,949               | -   |
| <b>Total expenditures</b>  | <u>1,557,163</u>          | <u>1,557,163</u>        | <u>-</u>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>(1,554,282)</u>        | <u>(1,554,282)</u>      | <u>-</u>  |
| <b>Other financing sources (uses):</b>                               |                           |                         |   |
| Transfers in   | 1,417,087                 | 1,417,087               | -   |
| Issuance of debt   | 5,515,000                 | 5,515,000               | -   |
| Payment to refunded bond escrow agent                                | (5,388,963)               | (5,388,963)             | -   |
| <b>Total other financing sources (uses)</b>                          | <u>1,543,124</u>          | <u>1,543,124</u>        | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u><u>\$ (11,158)</u></u> | <u>(11,158)</u>         | <u><u>\$ -</u></u>  |
| <b>Fund balance at beginning of year</b>                             |                           | <u>57,488</u>           |   |
| <b>Fund balance at end of year</b>                                   |                           | <u><u>\$ 46,330</u></u> |   |

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## **DEBT SERVICE FUND**

The Debt Service Fund is used for the accumulation of resources for, and the payment of, principal and interest on general long-term debt (other than enterprise funds).

*Debt Service Fund* – To account for resources used in the payment of debt service association with Acworth's Tax Allocation District. Other debts of the City are presented within the corresponding funds.

**CITY OF ACWORTH, GEORGIA  
DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|                          | <u>2020</u>            | <u>2019</u>            |
|--------------------------|------------------------|------------------------|
| <b>Assets:</b>           |                        |                        |
| Restricted assets:       |                        |                        |
| Cash                     | <u>\$ 1,500</u>        | <u>\$ 1,500</u>        |
| <b>Total assets</b>      | <u><u>\$ 1,500</u></u> | <u><u>\$ 1,500</u></u> |
| <b>Liabilities:</b>      |                        |                        |
| Due to other funds       | <u>\$ 1,500</u>        | <u>\$ 1,500</u>        |
| <b>Total liabilities</b> | <u><u>\$ 1,500</u></u> | <u><u>\$ 1,500</u></u> |

**CITY OF ACWORTH, GEORGIA**  
**DEBT SERVICE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020       | 2019       |
|--|------------|------------|
| <b>Revenues:</b>   |            |            |
| Taxes  | \$ 164,911 | \$ 163,539 |
| Intergovernmental  | 655,739    | 650,284    |
| <b>Total revenues</b>  | 820,650    | 813,823    |
| <b>Expenditures:</b>   |            |            |
| Current:   |            |            |
| Debt service   | 512,787    | 513,711    |
| <b>Total expenditures</b>  | 512,787    | 513,711    |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | 307,863    | 300,112    |
| <b>Other financing sources (uses):</b>                               |            |            |
| Transfers out  | (307,863)  | (300,112)  |
| <b>Total other financing sources (uses)</b>                          | (307,863)  | (300,112)  |
| <b>Net change in fund balance</b>                                    | -          | -          |
| <b>Fund balance at beginning of year</b>                             | -          | -          |
| <b>Fund balance at end of year</b>                                   | \$ -       | \$ -       |

**CITY OF ACWORTH, GEORGIA**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

|  | Final<br>Budget  | Actual           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--|------------------|------------------|---|
| <b>Revenues:</b>   |                  |                  |   |
| Taxes  | \$ 164,911       | \$ 164,911       | \$ -  |
| Intergovernmental  | 655,739          | 655,739          | -   |
| <b>Total revenues</b>  | <u>820,650</u>   | <u>820,650</u>   | <u>-</u>  |
| <b>Expenditures:</b>   |                  |                  |   |
| Current:   |                  |                  |   |
| Debt service   | 512,787          | 512,787          | -   |
| <b>Total expenditures</b>  | <u>512,787</u>   | <u>512,787</u>   | <u>-</u>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>307,863</u>   | <u>307,863</u>   | <u>-</u>  |
| <b>Other financing sources (uses):</b>                               |                  |                  |   |
| Transfers out  | (307,863)        | (307,863)        | -   |
| <b>Total other financing sources (uses)</b>                          | <u>(307,863)</u> | <u>(307,863)</u> | <u>-</u>  |
| <b>Net change in fund balance</b>                                    | <u>\$ -</u>      | <u>-</u>         | <u>\$ -</u>   |
| <b>Fund balance at beginning of year</b>                             |                  | <u>-</u>         |   |
| <b>Fund balance at end of year</b>                                   |                  | <u>\$ -</u>      |   |

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## **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds.

***Capital Improvements Fund*** – To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Funds.

***Special Purpose Local Option Sales Tax Fund*** – To account for proceeds received from Cobb County Special Purpose Local Options Sales Tax collections to be used for transportation, sidewalks, parking, recreation and public safety improvements within the City. The Special Purpose Local Option Sales Tax levies were voter approved and collections began in 2005, 2011 and 2016.

**CITY OF ACWORTH, GEORGIA  
CAPITAL IMPROVEMENT  
CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|   | 2020                | 2019                |
|---|---------------------|---------------------|
| <b>Assets:</b>                            |                     |                     |
| Cash                                      | \$ -                | \$ 17,499           |
| Investments                               | 9,673               | 60,907              |
| Due from other governments                | 42,532              | 18,685              |
| Due from other funds                      | 482,697             | 61,309              |
| Prepaid items                             | 55,944              | 137,584             |
| Restricted cash                           | 435,037             | 1,687,577           |
| <b>Total assets</b>                       | <b>\$ 1,025,883</b> | <b>\$ 1,983,561</b> |
| <b>Liabilities:</b>                       |                     |                     |
| Accounts payable                          | \$ 19,516           | \$ 338,200          |
| Retainage payable                         | -                   | 580,803             |
| Due to other funds                        | -                   | 20,057              |
| <b>Total liabilities</b>                  | <b>19,516</b>       | <b>939,060</b>      |
| <b>Fund balance:</b>                      |                     |                     |
| Nonspendable                              | 55,944              | 137,584             |
| Restricted                                | 574,739             | 758,260             |
| Committed                                 | -                   | 740                 |
| Assigned                                  | 375,684             | 147,917             |
| <b>Total fund balance</b>                 | <b>1,006,367</b>    | <b>1,044,501</b>    |
| <b>Total liabilities and fund balance</b> | <b>\$ 1,025,883</b> | <b>\$ 1,983,561</b> |

**CITY OF ACWORTH, GEORGIA**  
**CAPITAL IMPROVEMENT**  
**CAPITAL PROJECTS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020         | 2019         |
|--|--------------|--------------|
| <b>Revenues:</b>   |              |              |
| Intergovernmental  | \$ 415,299   | \$ 234,433   |
| Investment earnings  | 10,856       | 37,127       |
| <b>Total revenues</b>  | 426,155      | 271,560      |
| <b>Expenditures:</b>   |              |              |
| Capital outlay   | 730,539      | 4,459,761    |
| <b>Total expenditures</b>  | 730,539      | 4,459,761    |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | (304,384)    | (4,188,201)  |
| <b>Other financing sources (uses):</b>                               |              |              |
| Transfers in   | -            | 291,100      |
| Gain on disposal of assets   | 266,250      | -            |
| <b>Total other financing sources (uses)</b>                          | 266,250      | 291,100      |
| <b>Net change in fund balance</b>                                    | (38,134)     | (3,897,101)  |
| <b>Fund balance at beginning of year</b>                             | 1,044,501    | 4,941,602    |
| <b>Fund balance at end of year</b>                                   | \$ 1,006,367 | \$ 1,044,501 |

**CITY OF ACWORTH, GEORGIA  
SPLOST  
CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2020 AND 2019**

|  | 2020                | 2019                |
|--|---------------------|---------------------|
| <b>Assets:</b>                                 |                     |                     |
| Due from other governments                     | \$ 812,977          | \$ 704,485          |
| Restricted assets:                             |                     |                     |
| Cash   | 2,978,111           | 1,232,272           |
| Investments                                    | 792,271             | 780,578             |
| <b>Total assets</b>                            | <b>\$ 4,583,359</b> | <b>\$ 2,717,335</b> |
| <br><b>Liabilities:</b>                        |                     |                     |
| Accounts payable                               | \$ 339,698          | \$ 929,442          |
| Retainage payable                              | 58,017              | 113,003             |
| <b>Total liabilities</b>                       | 397,715             | 1,042,445           |
| <br><b>Fund balance:</b>                       |                     |                     |
| Restricted                                     | 4,185,644           | 1,674,890           |
| <b>Total fund balance</b>                      | 4,185,644           | 1,674,890           |
| <br><b>Total liabilities and fund balances</b> | <b>\$ 4,583,359</b> | <b>\$ 2,717,335</b> |

**CITY OF ACWORTH, GEORGIA**  
**SPLOST**  
**CAPITAL PROJECTS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| <b>Revenues:</b>   |                     |                     |
| Intergovernmental  | \$ 4,727,729        | \$ 4,628,469        |
| Investment earnings  | 12,310              | 12,280              |
| <b>Total revenues</b>  | <u>4,740,039</u>    | <u>4,640,749</u>    |
| <b>Expenditures:</b>   |                     |                     |
| Capital outlay   | 2,661,071           | 11,861,048          |
| Debt service   | 78,000              | 78,000              |
| <b>Total expenditures</b>  | <u>2,739,071</u>    | <u>11,939,048</u>   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>2,000,968</u>    | <u>(7,298,299)</u>  |
| <b>Other financing sources (uses):</b>                               |                     |                     |
| Transfers out  | -                   | (541,926)           |
| Insurance reimbursements   | 134,786             | -                   |
| Issuance of debt   | 375,000             | -                   |
| <b>Total other financing sources (uses)</b>                          | <u>509,786</u>      | <u>(541,926)</u>    |
| <b>Extraordinary item</b>  | <u>-</u>            | <u>541,926</u>      |
| <b>Net change in fund balance</b>                                    | 2,510,754           | (7,298,299)         |
| <b>Fund balance at beginning of year</b>                             | <u>1,674,890</u>    | <u>8,973,189</u>    |
| <b>Fund balance at end of year</b>                                   | <u>\$ 4,185,644</u> | <u>\$ 1,674,890</u> |

# **PROPRIETARY FUNDS**

## **ENTERPRISE FUNDS**

Enterprise funds are used to account for the acquisition, operation and maintenance of government facilities and services which are predominantly or entirely self-supporting by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

***Acworth Power*** – To account for the operations of the City’s electric distribution system. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

***Acworth Sanitation*** – To account for the operations of the City’s solid waste sanitation services. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

**CITY OF ACWORTH, GEORGIA**  
**ELECTRICAL POWER**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

| <b>Assets:</b>  | 2020                 | 2019                 |
|---|----------------------|----------------------|
| Current assets:   |                      |                      |
| Cash  | \$ 6,301,209         | \$ 5,050,787         |
| Investments   | 3,242,679            | 3,013,229            |
| Receivables (net of allowance for estimated uncollectibles) |                      |                      |
| Utility accounts  | 1,644,793            | 1,825,548            |
| Due from other funds  | 233,044              | 1,224,152            |
| Inventory   | 738,803              | 832,100              |
| Prepaid items   | 22,534               | 28,985               |
| Restricted assets:  |                      |                      |
| Cash  | 1,241,213            | 1,249,450            |
| Investments   | 8,489,359            | 7,515,786            |
| <br>Total current assets                                    | <br>21,913,634       | <br>20,740,037       |
| Noncurrent assets:  |                      |                      |
| Property, plant and equipment, net                          | 5,563,452            | 5,034,261            |
| <b>Total assets</b>   | <b>27,477,086</b>    | <b>25,774,298</b>    |
| <br><b>Deferred outflows of resources:</b>                  |                      |                      |
| Related to pensions   | 260,936              | 133,636              |
| Related to OPEB   | 1,109,778            | 6,176                |
| <b>Total deferred outflows of resources</b>                 | <b>1,370,714</b>     | <b>139,812</b>       |
| <br><b>Liabilities:</b>                                     |                      |                      |
| Current liabilities:  |                      |                      |
| Accounts payable  | 746,631              | 629,707              |
| Accrued liabilities   | 7,452                | 41,031               |
| Due to other funds  | 385,328              | 481,153              |
| Customer deposits   | 977,741              | 975,082              |
| Accrued compensated absences                                | 57,524               | 57,070               |
| Capital lease obligations                                   | 83,572               | 89,682               |
| Total current liabilities                                   | 2,258,248            | 2,273,725            |
| Long-term liabilities (net of current portion):             |                      |                      |
| Accrued compensated absences                                | 14,381               | 14,268               |
| Total OPEB liability  | 3,969,539            | 1,945,900            |
| Net pension liability                                       | 631,845              | 437,415              |
| Capital lease obligations                                   | 48,903               | 132,654              |
| Total long-term liabilities                                 | 4,664,668            | 2,530,237            |
| <b>Total liabilities</b>                                    | <b>6,922,916</b>     | <b>4,803,962</b>     |
| <br><b>Deferred inflows of resources:</b>                   |                      |                      |
| Deferred regulatory credits                                 | 6,043,784            | 5,234,054            |
| Related to pensions   | 4,663                | 69,638               |
| Related to OPEB   | 353,880              | 355,530              |
| <b>Total deferred inflows of resources</b>                  | <b>6,402,327</b>     | <b>5,659,222</b>     |
| <br><b>Net position:</b>                                    |                      |                      |
| Net investment in capital assets                            | 5,261,815            | 4,811,925            |
| Unrestricted  | 10,260,742           | 10,639,001           |
| <b>Total net position</b>                                   | <b>\$ 15,522,557</b> | <b>\$ 15,450,926</b> |

**CITY OF ACWORTH, GEORGIA  
ELECTRICAL POWER  
ENTERPRISE FUND**

**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020                 | 2019                 |
|--|----------------------|----------------------|
| <b>Operating revenues:</b>                       |                      |                      |
| Charges for services                             | \$ 12,960,163        | \$ 12,973,166        |
| Other  | 382,183              | 516,601              |
| <b>Total operating revenues</b>                  | <b>13,342,346</b>    | <b>13,489,767</b>    |
| <b>Operating expenses:</b>                       |                      |                      |
| Personal services                                | 2,446,558            | 1,687,797            |
| Operating  | 8,898,703            | 8,746,349            |
| Depreciation                                     | 561,938              | 553,169              |
| <b>Total operating expenses</b>                  | <b>11,907,199</b>    | <b>10,987,315</b>    |
| <b>Operating income</b>                          | <b>1,435,147</b>     | <b>2,502,452</b>     |
| <b>Nonoperating revenues (expenses):</b>         |                      |                      |
| Interest income                                  | 198,843              | 287,238              |
| Interest expense                                 | (4,981)              | (7,329)              |
| Miscellaneous                                    | 15                   | (36,913)             |
| <b>Total nonoperating revenues (expenses)</b>    | <b>193,877</b>       | <b>242,996</b>       |
| <b>Income before contributions and transfers</b> | <b>1,629,024</b>     | <b>2,745,448</b>     |
| <b>Capital contributions</b>                     | 17,752               | 7,550                |
| <b>Transfers out</b>                             | <b>(1,575,145)</b>   | <b>(1,517,453)</b>   |
| <b>Increase (decrease) in net position</b>       | <b>71,631</b>        | <b>1,235,545</b>     |
| <b>Net position at beginning of year</b>         | <b>15,450,926</b>    | <b>14,215,381</b>    |
| <b>Net position at end of year</b>               | <b>\$ 15,522,557</b> | <b>\$ 15,450,926</b> |

**CITY OF ACWORTH, GEORGIA  
ELECTRICAL POWER  
ENTERPRISE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|   | <u>2020</u>         | <u>2019</u>         |
|---|---------------------|---------------------|
| <b>Cash flows from (to) operating activities:</b>   |                     |                     |
| Cash received from customers  | \$13,525,760        | \$ 13,453,590       |
| Cash payments for goods and services  | (6,977,018)         | (8,525,432)         |
| Cash payments for employee services and fringe benefits                                     | (1,559,028)         | (1,534,897)         |
|   | <u>4,989,714</u>    | <u>3,393,261</u>    |
| <b>Cash flows from (to) noncapital financing activities:</b>                                |                     |                     |
| Transfers out   | (1,575,145)         | (1,517,453)         |
|   | <u>(1,575,145)</u>  | <u>(1,517,453)</u>  |
| <b>Cash flows from (to) capital and related financing activities:</b>                       |                     |                     |
| Contributed capital   | 17,752              | 7,550               |
| Proceeds from sale of capital assets  | 15                  | 50                  |
| Interest paid   | (4,981)             | (7,329)             |
| Payments for capital acquisitions   | (1,091,129)         | (507,620)           |
| Principal payments on long-term obligations   | (89,861)            | (87,513)            |
|   | <u>(1,168,204)</u>  | <u>(594,862)</u>    |
| <b>Cash flows from (to) investing activities:</b>   |                     |                     |
| (Purchases) proceeds from sale of investments   | (1,203,023)         | (1,261,044)         |
| Interest received from investments  | 198,843             | 287,238             |
|   | <u>(1,004,180)</u>  | <u>(973,806)</u>    |
| <b>Net increase (decrease) in cash</b>  | 1,242,185           | 307,140             |
| <b>Cash at beginning of year (including \$1,249,450 and \$1,236,796 in restricted cash)</b> | <u>6,300,237</u>    | <u>5,993,097</u>    |
| <b>Cash at end of year (including \$1,241,213 and \$1,249,450 in restricted cash)</b>       | <u>\$ 7,542,422</u> | <u>\$ 6,300,237</u> |

**CITY OF ACWORTH, GEORGIA**  
**ELECTRICAL POWER**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020                | 2019                |
|--|---------------------|---------------------|
| <b>Reconciliation of operating income to net cash from operating activities:</b> |                     |                     |
| Operating income   | \$ 1,435,147        | \$ 2,502,452        |
| Adjustments to reconcile operating income to net cash to operating activities:   |                     |                     |
| Depreciation   | 561,938             | 553,169             |
| (Increase) decrease in utility accounts receivable                               | 180,755             | (32,972)            |
| (Increase) decrease in due from other funds                                      | 991,108             | (885,366)           |
| (Increase) decrease in inventory   | 93,297              | 188,532             |
| (Increase) decrease in prepaid items   | 6,451               | (317)               |
| (Increase) decrease in deferred outflows of resources                            | (1,230,902)         | (46,629)            |
| Increase (decrease) in accounts payable  | 116,924             | (12,345)            |
| Increase (decrease) in accrued liabilities                                       | (33,012)            | 656                 |
| Increase (decrease) in due to other funds  | (95,825)            | 120,033             |
| Increase (decrease) in customer deposits   | 2,659               | (3,205)             |
| Increase (decrease) in total OPEB liability                                      | 2,023,639           | 36,041              |
| Increase (decrease) in net pension liability                                     | 194,430             | 70,584              |
| Increase (decrease) in deferred inflows of resources                             | 743,105             | 902,628             |
| <b>Net cash from operating activities</b>  | <b>\$ 4,989,714</b> | <b>\$ 3,393,261</b> |

**CITY OF ACWORTH, GEORGIA**  
**SANITATION**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

| <b>Assets:</b>   | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| Current assets:  |                     |                     |
| Cash   | \$ 1,010,894        | \$ 656,328          |
| Receivables (net of allowance for estimated uncollectibles): |                     |                     |
| Utility accounts   | 154,900             | 149,392             |
| Due from other funds   | 306,290             | 518,400             |
| Total current assets   | <u>1,472,084</u>    | <u>1,324,120</u>    |
| Noncurrent assets:   |                     |                     |
| Property, plant and equipment, net                           | <u>579,182</u>      | <u>513,321</u>      |
| <b>Total assets</b>  | <u>2,051,266</u>    | <u>1,837,441</u>    |
| <br><b>Deferred outflows of resources:</b>                   |                     |                     |
| Related to pensions  | 120,288             | 63,229              |
| Related to OPEB  | <u>572,983</u>      | <u>4,940</u>        |
| <b>Total deferred outflows of resources</b>                  | <u>693,271</u>      | <u>68,169</u>       |
| <br><b>Liabilities:</b>                                      |                     |                     |
| Current liabilities:   |                     |                     |
| Accounts payable   | 26,436              | 20,871              |
| Accrued liabilities  | 4,281               | 18,899              |
| Accrued compensated absences                                 | 18,107              | 13,030              |
| Due to other funds   | 57,339              | 48,564              |
| Customer deposits  | 300,749             | 295,190             |
| Capital lease obligations                                    | <u>90,526</u>       | <u>82,134</u>       |
| Total current liabilities                                    | <u>497,438</u>      | <u>478,688</u>      |
| Long-term liabilities (net of current portion):              |                     |                     |
| Accrued compensated absences                                 | 4,527               | 3,257               |
| Total OPEB liability   | 2,049,490           | 1,556,720           |
| Net pension liability  | 291,271             | 206,962             |
| Capital lease obligations                                    | <u>193,734</u>      | <u>94,691</u>       |
| Total long-term liabilities                                  | <u>2,539,022</u>    | <u>1,861,630</u>    |
| <b>Total liabilities</b>                                     | <u>3,036,460</u>    | <u>2,340,318</u>    |
| <br><b>Deferred inflows of resources:</b>                    |                     |                     |
| Related to pensions  | 2,150               | 32,949              |
| Related to OPEB  | <u>182,710</u>      | <u>284,424</u>      |
| <b>Total deferred inflows of resources</b>                   | <u>184,860</u>      | <u>317,373</u>      |
| <br><b>Net position:</b>                                     |                     |                     |
| Net investment in capital assets                             | 294,922             | 336,496             |
| Unrestricted   | <u>(771,705)</u>    | <u>(1,088,577)</u>  |
| <b>Total net position</b>                                    | <u>\$ (476,783)</u> | <u>\$ (752,081)</u> |

**CITY OF ACWORTH, GEORGIA**  
**SANITATION**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|   | 2020         | 2019         |
|---|--------------|--------------|
| <b>Operating revenues:</b>                    |              |              |
| Charges for services                          | \$ 2,015,288 | \$ 1,922,048 |
| <b>Total operating revenues</b>               | 2,015,288    | 1,922,048    |
| <b>Operating expenses:</b>                    |              |              |
| Personal services                             | 550,505      | 886,246      |
| Operating                                     | 823,763      | 722,893      |
| Depreciation                                  | 141,595      | 133,228      |
| <b>Total operating expenses</b>               | 1,515,863    | 1,742,367    |
| <b>Operating income (loss)</b>                | 499,425      | 179,681      |
| <b>Nonoperating revenues (expenses):</b>      |              |              |
| Miscellaneous                                 | 10           | 1,303        |
| Interest expense                              | (4,580)      | (5,915)      |
| <b>Total nonoperating revenues (expenses)</b> | (4,570)      | (4,612)      |
| <b>Income (loss) before transfers</b>         | 494,855      | 175,069      |
| <b>Transfers out</b>                          | (219,557)    | (219,557)    |
| <b>Increase (decrease) in net position</b>    | 275,298      | (44,488)     |
| <b>Net position at beginning of year</b>      | (752,081)    | (707,593)    |
| <b>Net position at end of year</b>            | \$ (476,783) | \$ (752,081) |

**CITY OF ACWORTH, GEORGIA**  
**SANITATION**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020                | 2019              |
|--|---------------------|-------------------|
| <b>Cash flows from (to) operating activities:</b>                                |                     |                   |
| Cash received from customers   | \$ 2,015,339        | \$ 1,932,545      |
| Cash payments for goods and services   | (597,313)           | (942,082)         |
| Cash payments for employee services and fringe benefits                          | (739,312)           | (805,102)         |
|  | 678,714             | 185,361           |
| <b>Net cash from (to) operating activities</b>                                   | <b>678,714</b>      | <b>185,361</b>    |
| <b>Cash flows from (to) noncapital financing activities:</b>                     |                     |                   |
| Transfers out  | (219,557)           | (219,557)         |
|  | (219,557)           | (219,557)         |
| <b>Net cash from (to) noncapital financing activities</b>                        | <b>(219,557)</b>    | <b>(219,557)</b>  |
| <b>Cash flows from (to) capital and related financing activities:</b>            |                     |                   |
| Proceeds from insurance  | -                   | 1,303             |
| Proceeds from sale of capital assets   | 10                  | -                 |
| Interest paid  | (4,580)             | (5,915)           |
| Payments for capital acquisitions  | (11,634)            | -                 |
| Principal payments on long-term obligations                                      | (88,387)            | (79,947)          |
|  | (104,591)           | (84,559)          |
| <b>Net cash from (to) capital and related financing activities</b>               | <b>(104,591)</b>    | <b>(84,559)</b>   |
| <b>Net increase (decrease) in cash</b>   | <b>354,566</b>      | <b>(118,755)</b>  |
| <b>Cash at beginning of year</b>   | <b>656,328</b>      | <b>775,083</b>    |
| <b>Cash at end of year</b>   | <b>\$ 1,010,894</b> | <b>\$ 656,328</b> |
| <b>Reconciliation of operating income to net cash from operating activities:</b> |                     |                   |
| Operating income   | \$ 499,425          | \$ 179,681        |
| Adjustments to reconcile operating income to net cash to operating activities:   |                     |                   |
| Depreciation   | 141,595             | 133,228           |
| Change in assets and liabilities:  |                     |                   |
| (Increase) decrease in utility accounts receivable                               | (5,508)             | (4,771)           |
| (Increase) decrease in due from other funds                                      | 212,110             | (234,707)         |
| (Increase) decrease in deferred outflows of resources                            | (625,102)           | (15,797)          |
| Increase (decrease) in accounts payable  | 5,565               | (5,485)           |
| Increase (decrease) in accrued liabilities                                       | (8,271)             | (3,200)           |
| Increase (decrease) in due to other funds  | 8,775               | 21,003            |
| Increase (decrease) in customer deposits   | 5,559               | 15,268            |
| Increase (decrease) in total OPEB liability                                      | 492,770             | 28,833            |
| Increase (decrease) in net pension liability                                     | 84,309              | 6,872             |
| Increase (decrease) in deferred inflows of resources                             | (132,513)           | 64,436            |
|  | 678,714             | 185,361           |
| <b>Net cash from operating activities</b>  | <b>\$ 678,714</b>   | <b>\$ 185,361</b> |
| <b>Supplemental disclosure of noncash investing and financing activities:</b>    |                     |                   |
| Equipment purchased through capital lease  | \$ 195,822          | \$ -              |

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## **INTERNAL SERVICE FUNDS**

Internal Service Funds account for services performed by a central service department for other departments or agencies of the government unit.

*Customer Service Fund* – This fund performs customer service functions relating to Acworth Power, Acworth Sanitation, administers the City's Occupational Tax and Property Tax programs. These functions include the billing of customers, collection of payments and processing customer calls for service. The Customer Service Fund bills the applicable funds for the services rendered.

*Insurance Fund* – This fund accounts for the costs of administering the workers compensation, medical, vision and dental insurance for all City employees and eligible retirees.

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

|   | Customer Service |                  | Totals           |
|---|------------------|------------------|------------------|
|   | Fund             | Insurance        |                  |
| <b>Assets:</b>                                  |                  |                  |                  |
| Current assets:                                 |                  |                  |                  |
| Cash  | \$ 109,234       | \$ -             | \$ 109,234       |
| Accounts receivable                             | 105              | -                | 105              |
| Due from other funds                            | 110,880          | 166,421          | 277,301          |
| Prepaid items                                   | 3,490            | 342,220          | 345,710          |
|   | <hr/>            | <hr/>            | <hr/>            |
| Total current assets                            | 223,709          | 508,641          | 732,350          |
| Noncurrent assets:                              |                  |                  |                  |
| Property, plant and equipment, net              | 1,912            | -                | 1,912            |
|   | <hr/>            | <hr/>            | <hr/>            |
| <b>Total assets</b>                             | <hr/> 225,621    | <hr/> 508,641    | <hr/> 734,262    |
| <b>Deferred outflows of resources:</b>          |                  |                  |                  |
| Related to pensions                             | 83,881           | -                | 83,881           |
|   | <hr/>            | <hr/>            | <hr/>            |
| <b>Liabilities:</b>                             |                  |                  |                  |
| Current liabilities:                            |                  |                  |                  |
| Accounts and claims payable                     | 6,730            | 172,049          | 178,779          |
| Accrued liabilities                             | 3,146            | -                | 3,146            |
| Accrued compensated absences                    | 15,783           | -                | 15,783           |
| Due to other funds                              | 2,243            | -                | 2,243            |
|   | <hr/>            | <hr/>            | <hr/>            |
| Total current liabilities                       | 27,902           | 172,049          | 199,951          |
| Long-term liabilities (net of current portion): |                  |                  |                  |
| Accrued compensated absences                    | 3,946            | -                | 3,946            |
| Net pension liability                           | 203,114          | -                | 203,114          |
|   | <hr/>            | <hr/>            | <hr/>            |
| Total long-term liabilities                     | 207,060          | -                | 207,060          |
|   | <hr/>            | <hr/>            | <hr/>            |
| <b>Total liabilities</b>                        | <hr/> 234,962    | <hr/> 172,049    | <hr/> 407,011    |
| <b>Deferred inflows of resources:</b>           |                  |                  |                  |
| Related to pensions                             | 1,499            | -                | 1,499            |
|   | <hr/>            | <hr/>            | <hr/>            |
| <b>Net position:</b>                            |                  |                  |                  |
| Invested in capital assets                      | 1,912            | -                | 1,912            |
| Unrestricted                                    | 71,129           | 336,592          | 407,721          |
|   | <hr/>            | <hr/>            | <hr/>            |
| <b>Total net position</b>                       | <hr/> \$ 73,041  | <hr/> \$ 336,592 | <hr/> \$ 409,633 |

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

|  | Customer Service<br>Fund | Insurance         | Totals            |
|--|--------------------------|-------------------|-------------------|
| <b>Operating revenues:</b>                 |                          |                   |                   |
| Charges for services                       | \$ 726,700               | \$ 3,477,950      | \$ 4,204,650      |
| Other                                      | 30,706                   | -                 | 30,706            |
| <b>Total operating revenues</b>            | <u>757,406</u>           | <u>3,477,950</u>  | <u>4,235,356</u>  |
| <b>Operating expenses:</b>                 |                          |                   |                   |
| Personal services                          | 523,461                  | -                 | 523,461           |
| Operating                                  | 98,757                   | 3,636,014         | 3,734,771         |
| Depreciation                               | 1,050                    | -                 | 1,050             |
| <b>Total operating expenses</b>            | <u>623,268</u>           | <u>3,636,014</u>  | <u>4,259,282</u>  |
| <b>Operating income (loss)</b>             | <u>134,138</u>           | <u>(158,064)</u>  | <u>(23,926)</u>   |
| <b>Income (loss) before transfers</b>      | 134,138                  | (158,064)         | (23,926)          |
| <b>Transfers out</b>                       | <u>(128,970)</u>         | <u>-</u>          | <u>(128,970)</u>  |
| <b>Increase (decrease) in net position</b> | 5,168                    | (158,064)         | (152,896)         |
| <b>Net position at beginning of year</b>   | <u>67,873</u>            | <u>494,656</u>    | <u>562,529</u>    |
| <b>Net position at end of year</b>         | <u>\$ 73,041</u>         | <u>\$ 336,592</u> | <u>\$ 409,633</u> |

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

|  | Customer Service<br>Fund | Insurance    | Totals            |
|--|--------------------------|--------------|-------------------|
| <b>Cash flows from (to) operating activities:</b>  |                          |              |                   |
| Cash received from contributions and services provided                                       | \$ 770,505               | \$ 3,628,718 | \$ 4,399,223      |
| Cash payments for goods and services   | (97,512)                 | -            | (97,512)          |
| Cash payments for benefits and claims  | -                        | (3,628,718)  | (3,628,718)       |
| Cash payments for employee services and fringe benefits                                      | (526,133)                | -            | (526,133)         |
| <b>Net cash from (to) operating activities</b>   | <b>146,860</b>           | <b>-</b>     | <b>146,860</b>    |
| <b>Cash flows from (to) noncapital financing activities:</b>                                 |                          |              |                   |
| Transfers out  | (128,970)                | -            | (128,970)         |
| <b>Net cash from (to) noncapital financing activities</b>                                    | <b>(128,970)</b>         | <b>-</b>     | <b>(128,970)</b>  |
| <b>Net increase (decrease) in cash</b>   | <b>17,890</b>            | <b>-</b>     | <b>17,890</b>     |
| <b>Cash at beginning of year</b>   | <b>91,344</b>            | <b>-</b>     | <b>91,344</b>     |
| <b>Cash at end of year</b>   | <b>\$ 109,234</b>        | <b>\$ -</b>  | <b>\$ 109,234</b> |
| <b>Reconciliation of operating income (loss) to net cash from (to) operating activities:</b> |                          |              |                   |
| Operating income (loss)  | \$ 134,138               | \$ (158,064) | \$ (23,926)       |
| Adjustments to reconcile operating income (loss) to net cash from (to) operating activities: |                          |              |                   |
| Depreciation   | 1,050                    | -            | 1,050             |
| Change in assets and liabilities:  |                          |              |                   |
| (Increase) decrease in accounts receivable   | 2,750                    | 176          | 2,926             |
| (Increase) decrease in due from other funds  | 10,349                   | 150,592      | 160,941           |
| (Increase) decrease in prepaid items   | (16)                     | (19,768)     | (19,784)          |
| (Increase) decrease in deferred outflows of resources  | (41,602)                 | -            | (41,602)          |
| Increase (decrease) in accounts and claims payable   | (982)                    | 27,064       | 26,082            |
| Increase (decrease) in accrued liabilities   | (5,264)                  | -            | (5,264)           |
| Increase (decrease) in due to other funds  | 2,243                    | -            | 2,243             |
| Increase (decrease) in net pension liability   | 64,727                   | -            | 64,727            |
| Increase (decrease) in deferred inflows of resources   | (20,533)                 | -            | (20,533)          |
| <b>Net cash from (to) operating activities</b>   | <b>\$ 146,860</b>        | <b>\$ -</b>  | <b>\$ 146,860</b> |

**CITY OF ACWORTH, GEORGIA**  
**CUSTOMER SERVICE**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

| <b>Assets:</b>                                  | 2020             | 2019             |
|---|------------------|------------------|
| Current assets:                                 |                  |                  |
| Cash  | \$ 109,234       | \$ 91,344        |
| Accounts receivable                             | 105              | 2,855            |
| Due from other funds                            | 110,880          | 121,229          |
| Prepaid items                                   | 3,490            | 3,474            |
| Total current assets                            | 223,709          | 218,902          |
| Noncurrent assets:                              |                  |                  |
| Property, plant and equipment, net              | 1,912            | 2,962            |
| <b>Total assets</b>                             | <b>225,621</b>   | <b>221,864</b>   |
| <b>Deferred outflows of resources:</b>          |                  |                  |
| Related to pensions                             | 83,881           | 42,279           |
| <b>Liabilities:</b>                             |                  |                  |
| Current liabilities:                            |                  |                  |
| Accounts payable                                | 6,730            | 7,712            |
| Accrued liabilities                             | 3,146            | 14,264           |
| Accrued compensated absences                    | 15,783           | 11,100           |
| Due to other funds                              | 2,243            | -                |
| Total current liabilities                       | 27,902           | 33,076           |
| Long-term liabilities (net of current portion): |                  |                  |
| Accrued compensated absences                    | 3,946            | 2,775            |
| Net pension liability                           | 203,114          | 138,387          |
| Total long-term liabilities                     | 207,060          | 141,162          |
| <b>Total liabilities</b>                        | <b>234,962</b>   | <b>174,238</b>   |
| <b>Deferred inflows of resources:</b>           |                  |                  |
| Related to pensions                             | 1,499            | 22,032           |
| <b>Net position:</b>                            |                  |                  |
| Net investment in capital assets                | 1,912            | 2,962            |
| Unrestricted                                    | 71,129           | 64,911           |
| <b>Total net position</b>                       | <b>\$ 73,041</b> | <b>\$ 67,873</b> |

**CITY OF ACWORTH, GEORGIA  
CUSTOMER SERVICE  
INTERNAL SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020             | 2019             |
|--|------------------|------------------|
| <b>Operating revenues:</b>                 |                  |                  |
| Charges for services                       | \$ 726,700       | \$ 707,784       |
| Other                                      | 30,706           | 37,498           |
|  | <b>757,406</b>   | <b>745,282</b>   |
| <b>Operating expenses:</b>                 |                  |                  |
| Personal services                          | 523,461          | 513,814          |
| Operating                                  | 98,757           | 101,448          |
| Depreciation                               | 1,050            | 1,050            |
|  | <b>623,268</b>   | <b>616,312</b>   |
| <b>Operating income (loss)</b>             | <b>134,138</b>   | <b>128,970</b>   |
| <b>Income (loss) before transfers</b>      | <b>134,138</b>   | <b>128,970</b>   |
| <b>Transfers out</b>                       | <b>(128,970)</b> | <b>(128,970)</b> |
| <b>Increase (decrease) in net position</b> | <b>5,168</b>     | <b>-</b>         |
| <b>Net position at beginning of year</b>   | <b>67,873</b>    | <b>67,873</b>    |
| <b>Net position at end of year</b>         | <b>\$ 73,041</b> | <b>\$ 67,873</b> |

**CITY OF ACWORTH, GEORGIA  
CUSTOMER SERVICE  
INTERNAL SERVICE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <u>2020</u>                  | <u>2019</u>                  |
|--|------------------------------|------------------------------|
| <b>Cash flows from (to) operating activities:</b>  |                              |                              |
| Cash received from customers   | \$ 770,505                   | \$ 760,844                   |
| Cash payments for goods and services   | (97,512)                     | (101,919)                    |
| Cash payments for employee services and fringe benefits  | <u>(526,133)</u>             | <u>(548,937)</u>             |
| <br><b>Net cash from (to) operating activities</b>   | <br><u>146,860</u>           | <br><u>109,988</u>           |
| <br><b>Cash flows from (to) noncapital financing activities:</b>                                 |                              |                              |
| Transfers out  | <u>(128,970)</u>             | <u>(128,970)</u>             |
| <br><b>Net cash from (to) noncapital financing activities</b>                                    | <br><u>(128,970)</u>         | <br><u>(128,970)</u>         |
| <br><b>Net increase (decrease) in cash</b>   | <br>17,890                   | <br>(18,982)                 |
| <br><b>Cash at beginning of year</b>   | <br><u>91,344</u>            | <br><u>110,326</u>           |
| <br><b>Cash at end of year</b>   | <br><u><u>\$ 109,234</u></u> | <br><u><u>\$ 91,344</u></u>  |
| <br><b>Reconciliation of operating income (loss) to net cash from (to) operating activities:</b> |                              |                              |
| Operating income (loss)  | \$ 134,138                   | \$ 128,970                   |
| Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:     |                              |                              |
| Depreciation   | 1,050                        | 1,050                        |
| Change in assets and liabilities:  |                              |                              |
| (Increase) decrease in accounts receivable   | 2,750                        | 30                           |
| (Increase) decrease in due from other funds  | 10,349                       | 15,532                       |
| (Increase) decrease in prepaid items   | (16)                         | (23)                         |
| (Increase) decrease in deferred outflows of resources  | (41,602)                     | (2,683)                      |
| Increase (decrease) in accounts payable  | (982)                        | (448)                        |
| Increase (decrease) in accrued liabilities   | (5,264)                      | (2,190)                      |
| Increase (decrease) in due to other funds  | 2,243                        | -                            |
| Increase (decrease) in net pension liability   | 64,727                       | (28,355)                     |
| Increase (decrease) in deferred inflows of resources   | <u>(20,533)</u>              | <u>(1,895)</u>               |
| <br><b>Net cash from (to) operating activities</b>   | <br><u><u>\$ 146,860</u></u> | <br><u><u>\$ 109,988</u></u> |

**CITY OF ACWORTH, GEORGIA**  
**INSURANCE**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2020 AND 2019**

| <b>Assets:</b>              | <u>2020</u>              | <u>2019</u>              |
|-----------------------------|--------------------------|--------------------------|
| Current assets:             |                          |                          |
| Accounts receivable         | \$ -                     | \$ 176                   |
| Due from other funds        | 166,421                  | 317,013                  |
| Prepaid items               | <u>342,220</u>           | <u>322,452</u>           |
| Total current assets        | <u>508,641</u>           | <u>639,641</u>           |
| <b>Total assets</b>         | <u>508,641</u>           | <u>639,641</u>           |
| <b>Liabilities:</b>         |                          |                          |
| Current liabilities:        |                          |                          |
| Accounts and claims payable | <u>172,049</u>           | <u>144,985</u>           |
| <b>Total liabilities</b>    | <u>172,049</u>           | <u>144,985</u>           |
| <b>Net position:</b>        |                          |                          |
| Unrestricted                | <u>336,592</u>           | <u>494,656</u>           |
| <b>Total net position</b>   | <u><u>\$ 336,592</u></u> | <u><u>\$ 494,656</u></u> |

**CITY OF ACWORTH, GEORGIA  
INSURANCE  
INTERNAL SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | <u>2020</u>              | <u>2019</u>              |
|--|--------------------------|--------------------------|
| <b>Operating revenues:</b>                 |                          |                          |
| Charges for services                       | \$ 3,477,950             | \$ 3,219,453             |
| Other                                      | <u>-</u>                 | <u>12</u>                |
| <b>Total operating revenues</b>            | <u>3,477,950</u>         | <u>3,219,465</u>         |
| <b>Operating expenses:</b>                 |                          |                          |
| Operating                                  | <u>3,636,014</u>         | <u>3,261,951</u>         |
| <b>Total operating expenses</b>            | <u>3,636,014</u>         | <u>3,261,951</u>         |
| <b>Operating income (loss)</b>             | <u>(158,064)</u>         | <u>(42,486)</u>          |
| <b>Increase (decrease) in net position</b> | (158,064)                | (42,486)                 |
| <b>Net position at beginning of year</b>   | <u>494,656</u>           | <u>537,142</u>           |
| <b>Net position at end of year</b>         | <u><u>\$ 336,592</u></u> | <u><u>\$ 494,656</u></u> |

**CITY OF ACWORTH, GEORGIA  
INSURANCE  
INTERNAL SERVICE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

|  | 2020         | 2019         |
|--|--------------|--------------|
| <b>Cash flows from (to) operating activities:</b>  |              |              |
| Cash received from contributions and services provided   | \$ 3,628,718 | \$ 3,203,517 |
| Cash payments for benefits and claims  | (3,628,718)  | (3,203,517)  |
| <b>Net cash from (to) operating activities</b>   | -            | -            |
| <b>Net increase (decrease) in cash</b>   | -            | -            |
| <b>Cash at beginning of year</b>   | -            | -            |
| <b>Cash at end of year</b>   | \$ -         | \$ -         |
| <br><b>Reconciliation of operating income (loss) to net cash from (to) operating activities:</b> |              |              |
| Operating income (loss)  | \$ (158,064) | \$ (42,486)  |
| Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:     |              |              |
| Change in assets and liabilities:  |              |              |
| (Increase) decrease in accounts receivable   | 176          | 51,337       |
| (Increase) decrease in due from other funds  | 150,592      | (67,285)     |
| (Increase) decrease in prepaid items   | (19,768)     | (47,570)     |
| Increase (decrease) in accounts and claims payable   | 27,064       | 123,414      |
| Increase (decrease) in due to other funds  | -            | (17,410)     |
| <b>Net cash from (to) operating activities</b>   | \$ -         | \$ -         |

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# **SUPPLEMENTAL INFORMATION**

**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION  | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
| <b>GENERAL LONG-TERM DEBT</b>                            |                 |                            |                     |                      |
| Tax Allocation District Bonds - Series 2013              | 12/1/2020       | 481,132                    | 36,132              | 445,000              |
| Lakeside Project ;\$5,595,000                            | 6/1/2021        | 30,480                     | 30,480              | -                    |
| bi-annual debt service; 2.54%                            | 12/1/2021       | 485,480                    | 30,480              | 455,000              |
| Debt service is paid from tax increment within district. | 6/1/2022        | 24,702                     | 24,702              | -                    |
| 261-80000  | 12/1/2022       | 494,702                    | 24,702              | 470,000              |
|  | 6/1/2023        | 18,733                     | 18,733              | -                    |
|  | 12/1/2023       | 498,733                    | 18,733              | 480,000              |
|  | 6/1/2024        | 12,637                     | 12,637              | -                    |
|  | 12/1/2024       | 502,637                    | 12,637              | 490,000              |
|  | 6/1/2025        | 6,417                      | 6,417               | -                    |
|  | 12/1/2025       | 511,416                    | 6,416               | 505,000              |
|  |                 | \$ 3,067,069               | \$ 222,069          | \$ 2,845,000         |
| Jail & Court Services Facility Renovations and Addition  | 1/7/2021        | 268,560                    | 30,325              | 238,235              |
| \$2,537,698; Fixed Rate - 2.39%                          | 7/7/2021        | 27,479                     | 27,479              | -                    |
| Mature - 01/07/2029                                      | 1/7/2022        | 291,719                    | 27,479              | 264,240              |
| 100-80000  | 7/7/2022        | 24,321                     | 24,321              | -                    |
|  | 1/7/2023        | 294,877                    | 24,321              | 270,556              |
|  | 7/7/2023        | 21,088                     | 21,088              | -                    |
|  | 1/7/2024        | 298,110                    | 21,088              | 277,022              |
|  | 7/7/2024        | 17,777                     | 17,777              | -                    |
|  | 1/7/2025        | 301,420                    | 17,777              | 283,643              |
|  | 7/7/2025        | 14,388                     | 14,388              | -                    |
|  | 1/7/2026        | 304,810                    | 14,388              | 290,422              |
|  | 7/7/2026        | 10,917                     | 10,917              | -                    |
|  | 1/7/2027        | 308,280                    | 10,917              | 297,363              |
|  | 7/7/2027        | 7,364                      | 7,364               | -                    |
|  | 1/7/2028        | 311,834                    | 7,364               | 304,470              |
|  | 7/7/2028        | 3,725                      | 3,725               | -                    |
|  | 1/7/2029        | 315,472                    | 3,725               | 311,747              |
|  |                 | \$ 2,822,141               | \$ 284,443          | \$ 2,537,698         |
| City Hall and Sports Complex 06/28/2013; \$3,407,000     | 10/1/2020       | 9,396                      | 9,396               | -                    |
| Interest payment semi-annual; Principal payment annually | 4/1/2021        | 363,396                    | 9,396               | 354,000              |
| 1.74% Interest Rate                                      | 10/1/2021       | 6,316                      | 6,316               | -                    |
| 190-80000  | 4/1/2022        | 366,316                    | 6,316               | 360,000              |
|  | 10/1/2022       | 3,184                      | 3,184               | -                    |
|  | 4/1/2023        | 369,184                    | 3,184               | 366,000              |
|  |                 | \$ 1,117,792               | \$ 37,792           | \$ 1,080,000         |

**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION  | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
| CableNET Project Refunding Bonds; Series 2020<br>\$5,515,000; Fixed Rate - 2.10%<br>Mature - 07/01/2028<br>190-80000 | 1/1/2021        | 52,395                     | 52,395              | -                    |
|  | 7/1/2021        | 622,395                    | 52,395              | 570,000              |
|  | 1/1/2022        | 46,410                     | 46,410              | -                    |
|  | 7/1/2022        | 631,410                    | 46,410              | 585,000              |
|  | 1/1/2023        | 40,268                     | 40,268              | -                    |
|  | 7/1/2023        | 640,268                    | 40,268              | 600,000              |
|  | 1/1/2024        | 33,968                     | 33,968              | -                    |
|  | 7/1/2024        | 648,967                    | 33,967              | 615,000              |
|  | 1/1/2025        | 27,510                     | 27,510              | -                    |
|  | 7/1/2025        | 662,510                    | 27,510              | 635,000              |
|  | 1/1/2026        | 20,843                     | 20,843              | -                    |
|  | 7/1/2026        | 665,842                    | 20,842              | 645,000              |
|  | 1/1/2027        | 14,070                     | 14,070              | -                    |
|  | 7/1/2027        | 679,070                    | 14,070              | 665,000              |
|  | 1/1/2028        | 7,087                      | 7,087               | -                    |
|  | 7/1/2028        | 682,087                    | 7,087               | 675,000              |
|  |                 | <u>\$ 5,475,100</u>        | <u>\$ 485,100</u>   | <u>\$ 4,990,000</u>  |
| Downtown Project Series 2017<br>\$7,160,000; Fixed Rate - 2.250%<br>Mature - 07/01/2031<br>190-80000                 | 1/1/2021        | 75,769                     | 75,769              | -                    |
|  | 7/1/2021        | 260,769                    | 75,769              | 185,000              |
|  | 1/1/2022        | 73,688                     | 73,688              | -                    |
|  | 7/1/2022        | 258,687                    | 73,687              | 185,000              |
|  | 1/1/2023        | 71,606                     | 71,606              | -                    |
|  | 7/1/2023        | 266,607                    | 71,607              | 195,000              |
|  | 1/1/2024        | 69,413                     | 69,413              | -                    |
|  | 7/1/2024        | 634,413                    | 69,413              | 565,000              |
|  | 1/1/2025        | 63,056                     | 63,056              | -                    |
|  | 7/1/2025        | 628,056                    | 63,056              | 565,000              |
|  | 1/1/2026        | 56,700                     | 56,700              | -                    |
|  | 7/1/2026        | 636,700                    | 56,700              | 580,000              |
|  | 1/1/2027        | 50,175                     | 50,175              | -                    |
|  | 7/1/2027        | 645,175                    | 50,175              | 595,000              |
|  | 1/1/2028        | 43,481                     | 43,481              | -                    |
|  | 7/1/2028        | 648,481                    | 43,481              | 605,000              |
|  | 1/1/2029        | 36,675                     | 36,675              | -                    |
|  | 7/1/2029        | 1,381,675                  | 36,675              | 1,345,000            |
|  | 1/1/2030        | 21,544                     | 21,544              | -                    |
| 7/1/2030   | 1,721,543       | 21,543                     | 1,700,000           |                      |
| 1/1/2031   | 2,419           | 2,419                      | -                   |                      |
| 7/1/2031   | 217,419         | 2,419                      | 215,000             |                      |
|  |                 | <u>\$ 7,864,051</u>        | <u>\$ 1,129,051</u> | <u>\$ 6,735,000</u>  |
| Police Radios - IGA Cobb County<br>\$373,397.45 @ 1.43% withheld from monthly disbursements<br>363-32002             | 9/1/2020        | 6,500                      | 47                  | 6,453                |
|  | 10/1/2020       | 6,500                      | 38                  | 6,462                |
|  | 12/1/2020       | 6,500                      | 23                  | 6,477                |
|  | 1/1/2021        | 6,500                      | 16                  | 6,484                |
|  | 2/1/2021        | 6,500                      | 129                 | 6,371                |
|  |                 | <u>\$ 39,000</u>           | <u>\$ 284</u>       | <u>\$ 38,716</u>     |

**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION                                | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
| 2017 Mower Max/SideArm                     | 7/1/2020        | 2,983                      | 384                 | 2,599                |
| 09/18/2018 - \$178,953; 4.2499%; 60 months | 8/1/2020        | 2,983                      | 375                 | 2,608                |
| \$2,982.55 60/monthly                      | 9/1/2020        | 2,982                      | 366                 | 2,616                |
| 100-80000                                  | 10/1/2020       | 2,983                      | 356                 | 2,627                |
|  | 11/1/2020       | 2,982                      | 347                 | 2,635                |
|  | 12/1/2020       | 2,983                      | 338                 | 2,645                |
|  | 1/1/2021        | 2,982                      | 328                 | 2,654                |
|  | 2/1/2021        | 2,983                      | 319                 | 2,664                |
|  | 3/1/2021        | 2,982                      | 310                 | 2,672                |
|  | 4/1/2021        | 2,983                      | 300                 | 2,683                |
|  | 5/1/2021        | 2,982                      | 291                 | 2,691                |
|  | 6/1/2021        | 2,983                      | 281                 | 2,702                |
|  | 7/1/2021        | 2,983                      | 272                 | 2,711                |
|  | 8/1/2021        | 2,983                      | 262                 | 2,721                |
|  | 9/1/2021        | 2,982                      | 252                 | 2,730                |
|  | 10/1/2021       | 2,983                      | 243                 | 2,740                |
|  | 11/1/2021       | 2,982                      | 233                 | 2,749                |
|  | 12/1/2021       | 2,983                      | 223                 | 2,760                |
|  | 1/1/2022        | 2,982                      | 213                 | 2,769                |
|  | 2/1/2022        | 2,983                      | 204                 | 2,779                |
|  | 3/1/2022        | 2,983                      | 194                 | 2,789                |
|  | 4/1/2022        | 2,983                      | 184                 | 2,799                |
|  | 5/1/2022        | 2,983                      | 174                 | 2,809                |
|  | 6/1/2022        | 2,983                      | 164                 | 2,819                |
|  | 7/1/2022        | 2,983                      | 153                 | 2,830                |
|  | 8/1/2022        | 2,983                      | 144                 | 2,840                |
|  | 9/1/2022        | 2,982                      | 133                 | 2,849                |
|  | 10/1/2022       | 2,982                      | 123                 | 2,859                |
|  | 11/1/2022       | 2,982                      | 113                 | 2,869                |
|  | 12/1/2022       | 2,982                      | 103                 | 2,879                |
|  | 1/1/2023        | 2,982                      | 93                  | 2,889                |
|  | 2/1/2023        | 2,982                      | 83                  | 2,899                |
|  | 3/1/2023        | 2,982                      | 73                  | 2,909                |
|  | 4/1/2023        | 2,982                      | 62                  | 2,920                |
|  | 5/1/2023        | 2,982                      | 52                  | 2,930                |
|  | 6/1/2023        | 2,982                      | 42                  | 2,940                |
|  | 7/1/2023        | 2,983                      | 31                  | 2,951                |
|  | 8/1/2023        | 2,983                      | 21                  | 2,962                |
|  | 9/1/2023        | 2,983                      | 11                  | 2,972                |
|  |                 | \$ 116,319                 | \$ 7,850            | \$ 108,469           |

**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION  | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
| Cobb County Joint Project - Old Hwy 41<br>01/01/2016 - \$1,500,000; 0% interest; 72 months<br>\$20,833 monthly | 7/1/2020        | 20,833                     | -                   | 20,833               |
|  | 8/1/2020        | 20,833                     | -                   | 20,833               |
|  | 9/1/2020        | 20,834                     | -                   | 20,834               |
|  | 10/1/2020       | 20,833                     | -                   | 20,833               |
|  | 11/1/2020       | 20,833                     | -                   | 20,833               |
|  | 12/1/2020       | 20,834                     | -                   | 20,834               |
|  | 1/1/2021        | 20,833                     | -                   | 20,833               |
|  | 2/1/2021        | 20,833                     | -                   | 20,833               |
|  | 3/1/2021        | 20,834                     | -                   | 20,834               |
|  | 4/1/2021        | 20,833                     | -                   | 20,833               |
|  | 5/1/2021        | 20,833                     | -                   | 20,833               |
|  | 6/1/2021        | 20,834                     | -                   | 20,834               |
|  | 7/1/2021        | 20,833                     | -                   | 20,833               |
| 8/1/2021   | 20,833          | -                          | 20,833              |                      |
| 9/1/2021   | 20,834          | -                          | 20,834              |                      |
| 10/1/2021  | 20,833          | -                          | 20,833              |                      |
| 11/1/2021  | 20,833          | -                          | 20,833              |                      |
| 12/1/2021  | 20,834          | -                          | 20,834              |                      |
|  |                 | <u>\$ 375,000</u>          | <u>\$ -</u>         | <u>\$ 375,000</u>    |

**TOTAL GENERAL LONG-TERM DEBT**

\$ 18,709,883

**ENTERPRISE FUNDS**

**Electrical Power Fund**

|   |            |       |       |       |
|---|------------|-------|-------|-------|
| 2017 Bucket Truck<br>09/18/2017 - \$198,533; 2.440%; 60 months<br>\$3,518.19.60/monthly<br>*Note April 4,2018 interest rate changed 2.960% 53 months<br>\$3,557.95/monthly<br>510-46110 | 7/18/2020  | 3,558 | 221   | 3,337 |
|   | 8/18/2020  | 3,558 | 213   | 3,345 |
|   | 9/18/2020  | 3,558 | 204   | 3,354 |
|   | 10/18/2020 | 3,558 | 196   | 3,362 |
|   | 11/18/2020 | 3,558 | 188   | 3,370 |
|   | 12/18/2020 | 3,558 | 179   | 3,379 |
|   | 1/18/2021  | 3,558 | 171   | 3,387 |
|   | 2/18/2021  | 3,558 | 163   | 3,395 |
|   | 3/18/2021  | 3,558 | 154   | 3,404 |
|   | 4/18/2021  | 3,558 | 146   | 3,412 |
|   | 5/18/2021  | 3,558 | 138   | 3,420 |
|   | 6/18/2021  | 3,558 | 129   | 3,429 |
|   | 7/18/2021  | 3,558 | 121   | 3,437 |
|   | 8/18/2021  | 3,558 | 112   | 3,446 |
|   | 9/18/2021  | 3,558 | 104   | 3,454 |
|   | 10/18/2021 | 3,558 | 95    | 3,463 |
|   | 11/18/2021 | 3,558 | 87    | 3,471 |
|   | 12/18/2021 | 3,558 | 78    | 3,480 |
|   | 1/18/2022  | 3,558 | 69    | 3,489 |
|   | 2/18/2022  | 3,558 | 61    | 3,497 |
| 3/18/2022   | 3,558      | 52    | 3,506 |       |
| 4/18/2022   | 3,558      | 44    | 3,514 |       |
| 5/18/2022   | 3,558      | 35    | 3,523 |       |
| 6/18/2022   | 3,557      | 26    | 3,531 |       |

**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION   | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|---|-----------------|----------------------------|---------------------|----------------------|
|   | 7/18/2022       | 3,558                      | 17                  | 3,541                |
|   | 8/18/2022       | 3,557                      | 7                   | 3,551                |
|   |                 | <u>\$ 92,506</u>           | <u>\$ 3,010</u>     | <u>\$ 89,497</u>     |
| 2016 Freightliner Power Line Truck                        | 7/25/2020       | 4,346                      | 87                  | 4,259                |
| 04/25/2016; \$246,429; 1.98%; 60 months                   | 8/25/2020       | 4,346                      | 78                  | 4,268                |
| \$4,317.19/monthly  | 9/25/2020       | 4,346                      | 70                  | 4,276                |
| *Note April 4,2018 interest rate changed 2.410% 34 months | 10/25/2020      | 4,346                      | 61                  | 4,285                |
| \$4,345.55/monthly  | 11/25/2020      | 4,346                      | 52                  | 4,294                |
| 510-46110   | 12/25/2020      | 4,346                      | 44                  | 4,302                |
|   | 1/25/2021       | 4,346                      | 35                  | 4,311                |
|   | 2/25/2021       | 4,346                      | 27                  | 4,319                |
|   | 3/25/2021       | 4,346                      | 18                  | 4,328                |
|   | 4/25/2021       | 4,345                      | 9                   | 4,336                |
|   |                 | <u>\$ 43,459</u>           | <u>\$ 481</u>       | <u>\$ 42,978</u>     |
| <b>Total Electrical Power Fund</b>                        |                 |                            |                     | <u>\$ 132,475</u>    |
| <b>Sanitation Fund</b>                                    |                 |                            |                     |                      |
| 2016 Freightliner Sanitation Truck                        | 8/4/2020        | 3,021                      | 13                  | 3,008                |
| 09/04/2015 - \$170,431; 2.22%; 60 months                  | 9/4/2020        | 3,021                      | 7                   | 3,014                |
| \$3,003.71/monthly  |                 |                            |                     |                      |
| *Note April 4,2018 interest rate changed 2.70% 26 months  |                 | <u>\$ 6,042</u>            | <u>\$ 20</u>        | <u>\$ 6,022</u>      |
| \$3,021.57/monthly  |                 |                            |                     |                      |
| 2017 Freightliner Street Sweeper                          | 7/12/2020       | 4,134                      | 198                 | 3,936                |
| 04/12/2017 - \$232,457; 2.20%; 60 months                  | 8/12/2020       | 4,134                      | 189                 | 3,945                |
| \$4,094.82/monthly  | 9/12/2020       | 4,134                      | 180                 | 3,954                |
| *Note April 4,2018 interest rate changed 2.670% 46 months | 10/12/2020      | 4,134                      | 171                 | 3,963                |
| \$4,133.59/monthly  | 11/12/2020      | 4,134                      | 163                 | 3,971                |
|   | 12/12/2020      | 4,134                      | 154                 | 3,980                |
|   | 1/12/2021       | 4,134                      | 145                 | 3,989                |
|   | 2/12/2021       | 4,134                      | 136                 | 3,998                |
|   | 3/12/2021       | 4,134                      | 127                 | 4,007                |
|   | 4/12/2021       | 4,134                      | 118                 | 4,016                |
|   | 5/12/2021       | 4,134                      | 109                 | 4,025                |
|   | 6/12/2021       | 4,134                      | 100                 | 4,034                |
|   | 7/12/2021       | 4,134                      | 91                  | 4,043                |
|   | 8/12/2021       | 4,134                      | 82                  | 4,052                |
|   | 9/12/2021       | 4,134                      | 73                  | 4,061                |
|   | 10/12/2021      | 4,134                      | 64                  | 4,070                |
|   | 11/12/2021      | 4,134                      | 55                  | 4,079                |
|   | 12/12/2021      | 4,134                      | 46                  | 4,088                |
|   | 1/12/2022       | 4,134                      | 37                  | 4,097                |
|   | 2/12/2022       | 4,134                      | 28                  | 4,106                |
|   | 3/12/2022       | 4,133                      | 19                  | 4,114                |

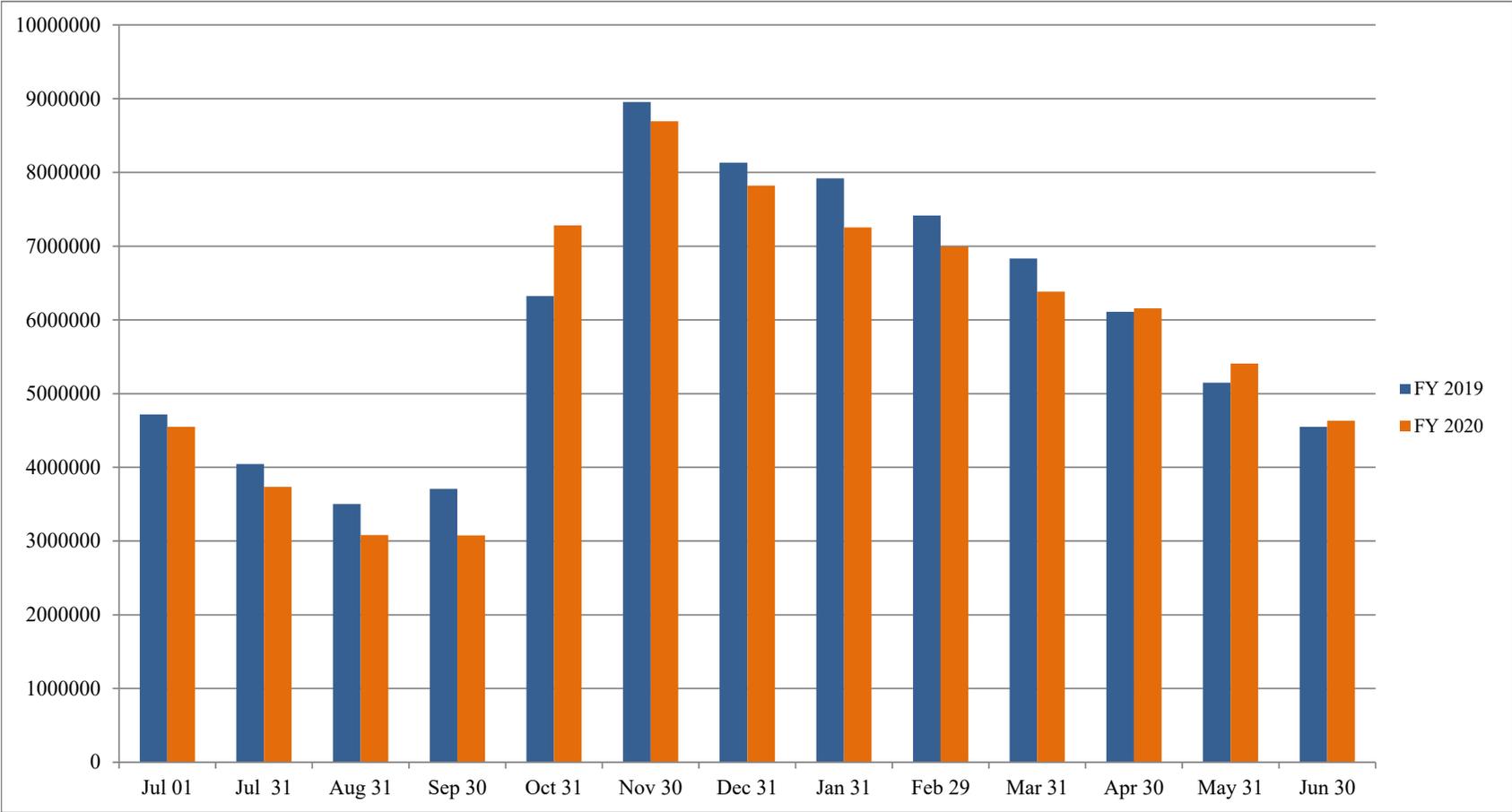
**CITY OF ACWORTH, GEORGIA**  
**SCHEDULE OF INDEBTEDNESS**  
**JUNE 30, 2020**

| DESCRIPTION                              | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
|  | 4/12/2022       | 4,133                      | 9                   | 4,124                |
|  |                 | <u>\$ 90,946</u>           | <u>\$ 2,294</u>     | <u>\$ 88,652</u>     |
| 2020 Freightliner Sanitation Truck       | 7/15/2020       | 3,553                      | 544                 | 3,009                |
| 04/28/2020 - \$195,822; 3.44%; 60 months | 8/15/2020       | 3,553                      | 535                 | 3,018                |
| \$3,552.77/monthly                       | 9/15/2020       | 3,553                      | 526                 | 3,027                |
|  | 10/15/2020      | 3,553                      | 518                 | 3,035                |
|  | 11/15/2020      | 3,553                      | 509                 | 3,044                |
|  | 12/15/2020      | 3,553                      | 500                 | 3,053                |
|  | 1/15/2021       | 3,553                      | 492                 | 3,061                |
|  | 2/15/2021       | 3,553                      | 483                 | 3,070                |
|  | 3/15/2021       | 3,553                      | 474                 | 3,079                |
|  | 4/15/2021       | 3,553                      | 465                 | 3,088                |
|  | 5/15/2021       | 3,553                      | 456                 | 3,097                |
|  | 6/15/2021       | 3,553                      | 448                 | 3,105                |
|  | 7/15/2021       | 3,553                      | 438                 | 3,115                |
|  | 8/15/2021       | 3,553                      | 430                 | 3,123                |
|  | 9/15/2021       | 3,553                      | 421                 | 3,132                |
|  | 10/15/2021      | 3,553                      | 412                 | 3,141                |
|  | 11/15/2021      | 3,553                      | 403                 | 3,150                |
|  | 12/15/2021      | 3,553                      | 394                 | 3,159                |
|  | 1/15/2022       | 3,553                      | 384                 | 3,169                |
|  | 2/15/2022       | 3,553                      | 376                 | 3,177                |
|  | 3/15/2022       | 3,553                      | 366                 | 3,187                |
|  | 4/15/2022       | 3,553                      | 357                 | 3,196                |
|  | 5/15/2022       | 3,553                      | 348                 | 3,205                |
|  | 6/15/2022       | 3,553                      | 339                 | 3,214                |
|  | 7/15/2022       | 3,553                      | 330                 | 3,223                |
|  | 8/15/2022       | 3,553                      | 320                 | 3,233                |
|  | 9/15/2022       | 3,553                      | 311                 | 3,242                |
|  | 10/15/2022      | 3,553                      | 302                 | 3,251                |
|  | 11/15/2022      | 3,553                      | 293                 | 3,260                |
|  | 12/15/2022      | 3,553                      | 283                 | 3,270                |
|  | 1/15/2023       | 3,553                      | 274                 | 3,279                |
|  | 2/15/2023       | 3,553                      | 264                 | 3,289                |
|  | 3/15/2023       | 3,553                      | 255                 | 3,298                |
|  | 4/15/2023       | 3,553                      | 246                 | 3,307                |
|  | 5/15/2023       | 3,553                      | 236                 | 3,317                |
|  | 6/15/2023       | 3,553                      | 227                 | 3,326                |
|  | 7/15/2023       | 3,553                      | 217                 | 3,336                |
|  | 8/15/2023       | 3,553                      | 207                 | 3,346                |
|  | 9/15/2023       | 3,553                      | 198                 | 3,355                |
|  | 10/15/2023      | 3,553                      | 188                 | 3,365                |
|  | 11/15/2023      | 3,553                      | 179                 | 3,374                |
|  | 12/15/2023      | 3,553                      | 169                 | 3,384                |
|  | 1/15/2024       | 3,553                      | 159                 | 3,394                |
|  | 2/15/2024       | 3,553                      | 150                 | 3,403                |
|  | 3/15/2024       | 3,553                      | 140                 | 3,413                |
|  | 4/15/2024       | 3,553                      | 130                 | 3,423                |
|  | 5/15/2024       | 3,553                      | 120                 | 3,433                |
|  | 6/15/2024       | 3,553                      | 110                 | 3,443                |
|  | 7/15/2024       | 3,553                      | 100                 | 3,453                |
|  | 8/15/2024       | 3,553                      | 90                  | 3,463                |
|  | 9/15/2024       | 3,553                      | 81                  | 3,472                |

**CITY OF ACWORTH, GEORGIA  
SCHEDULE OF INDEBTEDNESS  
JUNE 30, 2020**

| DESCRIPTION                              | PAYMENT<br>DATE | DEBT<br>SERVICE<br>PAYMENT | INTEREST<br>PORTION | PRINCIPAL<br>PORTION |
|--|-----------------|----------------------------|---------------------|----------------------|
|  | 10/15/2024      | 3,553                      | 71                  | 3,482                |
|  | 11/15/2024      | 3,553                      | 61                  | 3,492                |
|  | 12/15/2024      | 3,553                      | 51                  | 3,502                |
|  | 1/15/2025       | 3,553                      | 41                  | 3,512                |
|  | 2/15/2025       | 3,553                      | 30                  | 3,523                |
|  | 3/15/2025       | 3,553                      | 20                  | 3,533                |
|  | 4/15/2025       | 3,539                      | 3                   | 3,536                |
|  |                 | <u>\$ 206,060</u>          | <u>\$ 16,474</u>    | <u>\$ 189,586</u>    |
| <b>Total Solid Waste Sanitation Fund</b> |                 |                            |                     | <u>\$ 284,260</u>    |
| <b>TOTAL ENTERPRISE FUNDS</b>            |                 |                            |                     | <u>\$ 416,735</u>    |

**CITY OF ACWORTH, GEORGIA  
GENERAL FUND SCHEDULE OF UNASSIGNED FUND BALANCE BY MONTH  
FISCAL YEARS 2019 AND 2020**



# STATISTICAL SECTION

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

## **Contents**

### **Financial Trends**

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

### **Revenue Capacity**

These schedules contain information to help readers assess the City's most significant local revenue sources.

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

Except where noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year.

**CITY OF ACWORTH, GEORGIA  
GOVERNMENT - WIDE NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

|   | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2011                       | 2012 (1)             | 2013                 | 2014 (1)             | 2015                 | 2016                 | 2017 (1)             | 2018                 | 2019                 | 2020                 |
| <b>Governmental Activities</b>                        |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | \$ 32,095,552              | \$ 32,488,823        | \$ 33,087,992        | \$ 41,531,232        | \$ 42,518,514        | \$ 44,217,395        | \$ 39,162,439        | \$ 47,017,712        | \$ 54,070,531        | \$ 55,135,519        |
| Restricted  | 7,177,921                  | 7,639,539            | 8,257,961            | 6,086,764            | 7,226,407            | 7,352,579            | 16,367,889           | 17,191,465           | 6,246,325            | 8,949,567            |
| Unrestricted  | (2,696,525)                | (10,054,498)         | (8,995,080)          | (10,419,765)         | (9,883,096)          | (10,654,546)         | (16,705,531)         | (20,160,007)         | (16,323,081)         | (17,955,625)         |
| <b>Subtotal Governmental Activities Net Position</b>  | <u>36,576,948</u>          | <u>30,073,864</u>    | <u>32,350,873</u>    | <u>37,198,231</u>    | <u>39,861,825</u>    | <u>40,915,428</u>    | <u>38,824,797</u>    | <u>44,049,170</u>    | <u>43,993,775</u>    | <u>46,129,461</u>    |
| <b>Business-Type Activities</b>                       |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | 5,670,482                  | 5,441,010            | 5,153,818            | 5,052,522            | 4,846,950            | 5,076,443            | 4,772,777            | 5,196,702            | 5,148,421            | 5,556,737            |
| Restricted  | -                          | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Unrestricted  | (2,047,477)                | 5,289,983            | 5,993,873            | 6,707,323            | 7,782,477            | 9,237,222            | 7,565,238            | 8,421,968            | 9,661,306            | 9,605,087            |
| <b>Subtotal Business-Type Activities Net Position</b> | <u>3,623,005</u>           | <u>10,730,993</u>    | <u>11,147,691</u>    | <u>11,759,845</u>    | <u>12,629,427</u>    | <u>14,313,665</u>    | <u>12,338,015</u>    | <u>13,618,670</u>    | <u>14,809,727</u>    | <u>15,161,824</u>    |
| <b>Primary Government</b>                             |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net investment in capital assets                      | 37,766,034                 | 37,929,833           | 38,241,810           | 46,583,754           | 47,365,464           | 49,293,838           | 43,935,216           | 52,214,414           | 59,218,952           | 60,692,256           |
| Restricted  | 7,177,921                  | 7,639,539            | 8,257,961            | 6,086,764            | 7,226,407            | 7,352,579            | 16,367,889           | 17,191,465           | 6,246,325            | 8,949,567            |
| Unrestricted  | (4,744,002)                | (4,764,515)          | (3,001,207)          | (3,712,442)          | (2,100,619)          | (1,417,324)          | (9,140,293)          | (11,738,039)         | (6,661,775)          | (8,350,538)          |
| <b>Total Primary Government Net Position</b>          | <u>\$ 40,199,953</u>       | <u>\$ 40,804,857</u> | <u>\$ 43,498,564</u> | <u>\$ 48,958,076</u> | <u>\$ 52,491,252</u> | <u>\$ 55,229,093</u> | <u>\$ 51,162,812</u> | <u>\$ 57,667,840</u> | <u>\$ 58,803,502</u> | <u>\$ 61,291,285</u> |

NOTES:  
(1) As restated.

**CITY OF ACWORTH, GEORGIA  
CHANGES IN NET POSITION - TOTAL  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

|   | Fiscal Year Ended June 30, |                    |                     |                     |                     |                     |                     |                     |                     |                     |
|---|----------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 2011                       | 2012 (1)           | 2013                | 2014 (2)            | 2015                | 2016                | 2017 (2)            | 2018                | 2019                | 2020                |
| <b>Expenses:</b>                            |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities                     | \$ 13,646,586              | \$ 14,309,472      | \$ 13,633,681       | \$ 15,600,298       | \$ 16,847,319       | \$ 20,001,965       | \$ 20,054,155       | \$ 21,024,775       | \$ 23,435,555       | \$ 23,578,090       |
| Business-type activities                    | 12,355,258                 | 12,436,270         | 12,756,520          | 12,788,057          | 12,334,462          | 11,330,037          | 12,565,830          | 12,310,101          | 12,613,956          | 13,298,485          |
| <b>Total Expenses</b>                       | <b>26,001,844</b>          | <b>26,745,742</b>  | <b>26,390,201</b>   | <b>28,388,355</b>   | <b>29,181,781</b>   | <b>31,332,002</b>   | <b>32,619,985</b>   | <b>33,334,876</b>   | <b>36,049,511</b>   | <b>36,876,575</b>   |
| <b>Program Revenues:</b>                    |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities                     | 4,195,920                  | 4,599,585          | 5,211,204           | 6,687,986           | 7,359,080           | 8,740,212           | 10,772,476          | 12,844,365          | 8,595,742           | 10,977,122          |
| Business-type activities                    | 13,692,646                 | 13,795,444         | 14,639,522          | 15,144,792          | 15,305,717          | 14,752,706          | 15,400,275          | 15,213,117          | 15,419,365          | 15,375,386          |
| <b>Total Program Revenues</b>               | <b>17,888,566</b>          | <b>18,395,029</b>  | <b>19,850,726</b>   | <b>21,832,778</b>   | <b>22,664,797</b>   | <b>23,492,918</b>   | <b>26,172,751</b>   | <b>28,057,482</b>   | <b>24,015,107</b>   | <b>26,352,508</b>   |
| <b>Net (Expense) Revenue</b>                | <b>(8,113,278)</b>         | <b>(8,350,713)</b> | <b>(6,539,475)</b>  | <b>(6,555,577)</b>  | <b>(6,516,984)</b>  | <b>(7,839,084)</b>  | <b>(6,447,234)</b>  | <b>(5,277,394)</b>  | <b>(12,034,404)</b> | <b>(10,524,067)</b> |
| <b>General Revenues and Transfers:</b>      |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental activities                     | 9,417,083                  | 10,215,051         | 10,699,486          | 10,923,236          | 12,151,833          | 12,315,356          | 13,606,138          | 13,404,783          | 14,784,418          | 14,736,654          |
| Business-type activities                    | (232,213)                  | (1,080,114)        | (1,466,304)         | (1,269,119)         | (2,101,673)         | (1,738,431)         | (2,565,939)         | (1,622,361)         | (1,614,352)         | (1,724,804)         |
| <b>Total General Revenues and Transfers</b> | <b>9,184,870</b>           | <b>9,134,937</b>   | <b>9,233,182</b>    | <b>9,654,117</b>    | <b>10,050,160</b>   | <b>10,576,925</b>   | <b>11,040,199</b>   | <b>11,782,422</b>   | <b>13,170,066</b>   | <b>13,011,850</b>   |
| <b>Changes in Net Position</b>              | <b>\$ 1,071,592</b>        | <b>\$ 784,224</b>  | <b>\$ 2,693,707</b> | <b>\$ 3,098,540</b> | <b>\$ 3,533,176</b> | <b>\$ 2,737,841</b> | <b>\$ 4,592,965</b> | <b>\$ 6,505,028</b> | <b>\$ 1,135,662</b> | <b>\$ 2,487,783</b> |

NOTES:

(1) As restated.

(2) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined.

**CITY OF ACWORTH, GEORGIA**  
**CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

|  | Fiscal Year Ended June 30, |                    |                     |                     |                     |                     |                     |                     |                     |                     |
|--|----------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2011                       | 2012 (1)           | 2013                | 2014 (3)            | 2015                | 2016                | 2017 (2)            | 2018                | 2019                | 2020                |
| <b>Expenses:</b>                                       |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| General government                                     | \$ 1,842,027               | \$ 1,968,349       | \$ 2,018,223        | \$ 2,609,694        | \$ 3,091,117        | \$ 3,204,116        | \$ 3,267,821        | \$ 3,379,469        | \$ 3,306,624        | \$ 3,726,208        |
| Judicial   | 371,570                    | 350,971            | 376,499             | 395,493             | 414,891             | 458,293             | 434,219             | 432,251             | 465,947             | 465,586             |
| Health and welfare                                     | 1,052                      | 6,272              | 991                 | 1,089               | 1,668               | 3,640               | 4,954               | 540                 | 5,239               | 651                 |
| Public works   | 3,666,566                  | 3,470,031          | 3,229,552           | 3,304,938           | 3,800,570           | 4,866,774           | 4,503,538           | 5,114,375           | 6,149,459           | 4,743,149           |
| Culture and recreation                                 | 2,124,868                  | 2,088,689          | 1,622,427           | 2,681,118           | 2,763,205           | 3,613,552           | 3,460,774           | 3,538,062           | 4,169,791           | 4,526,274           |
| Public safety  | 4,122,196                  | 4,312,644          | 4,209,328           | 4,450,562           | 4,966,721           | 5,948,132           | 6,312,018           | 6,681,590           | 7,469,115           | 8,270,258           |
| Housing and development                                | 945,222                    | 981,001            | 994,734             | 1,032,121           | 926,219             | 1,060,788           | 1,087,930           | 1,210,781           | 1,315,407           | 1,170,723           |
| Interest and fiscal charges                            | 573,085                    | 1,131,515          | 1,181,927           | 1,125,283           | 882,928             | 846,670             | 982,901             | 667,707             | 553,973             | 675,241             |
| <b>Total Expenses</b>                                  | <b>13,646,586</b>          | <b>14,309,472</b>  | <b>13,633,681</b>   | <b>15,600,298</b>   | <b>16,847,319</b>   | <b>20,001,965</b>   | <b>20,054,155</b>   | <b>21,024,775</b>   | <b>23,435,555</b>   | <b>23,578,090</b>   |
| <b>Program Revenues:</b>                               |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Charges for Services:                                  |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| General government                                     | 190,155                    | 217,284            | 214,352             | 238,294             | 231,605             | 263,686             | 268,382             | 327,542             | 265,792             | 378,349             |
| Judicial   | 1,156,300                  | 948,875            | 1,157,097           | 1,161,935           | 1,084,306           | 1,215,947           | 1,024,324           | 845,966             | 1,086,151           | 892,583             |
| Public works   | 26,793                     | 20,982             | 18,866              | 33,375              | 28,481              | 22,733              | 14,258              | 29,350              | 35,240              | 27,990              |
| Culture and recreation                                 | 457,073                    | 394,608            | 430,099             | 463,883             | 569,999             | 623,672             | 577,614             | 772,717             | 839,757             | 660,029             |
| Public safety  | 22,526                     | 27,389             | 23,440              | 65,333              | 95,102              | 71,254              | 117,051             | 251,655             | 728,085             | 685,013             |
| Housing and development                                | 125,153                    | 193,495            | 276,632             | 216,779             | 406,544             | 358,863             | 220,612             | 561,095             | 398,655             | 334,626             |
| Operating grants and contributions                     | 51,166                     | 100,439            | 122,508             | 291,322             | 235,434             | 301,743             | 294,117             | 419,437             | 366,880             | 104,694             |
| Capital grants and contributions                       | 2,166,754                  | 2,696,513          | 2,968,210           | 4,217,065           | 4,707,609           | 5,882,314           | 8,256,118           | 9,636,603           | 4,875,182           | 7,893,838           |
| <b>Total Program Revenues</b>                          | <b>4,195,920</b>           | <b>4,599,585</b>   | <b>5,211,204</b>    | <b>6,687,986</b>    | <b>7,359,080</b>    | <b>8,740,212</b>    | <b>10,772,476</b>   | <b>12,844,365</b>   | <b>8,595,742</b>    | <b>10,977,122</b>   |
| <b>Net (Expense) Revenue</b>                           | <b>(9,450,666)</b>         | <b>(9,709,887)</b> | <b>(8,422,477)</b>  | <b>(8,912,312)</b>  | <b>(9,488,239)</b>  | <b>(11,261,753)</b> | <b>(9,281,679)</b>  | <b>(8,180,410)</b>  | <b>(14,839,813)</b> | <b>(12,600,968)</b> |
| <b>General Revenues and Transfers:</b>                 |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| General revenues:                                      |                            |                    |                     |                     |                     |                     |                     |                     |                     |                     |
| Property taxes   | 5,122,901                  | 4,874,050          | 4,828,872           | 5,227,730           | 5,305,820           | 5,522,167           | 5,808,084           | 6,121,477           | 6,546,327           | 6,642,549           |
| Insurance premium tax                                  | 722,530                    | 958,018            | 1,017,576           | 1,053,603           | 1,102,373           | 1,177,704           | 1,276,993           | 1,360,988           | 1,465,968           | 1,558,478           |
| Alcohol taxes  | 430,223                    | 458,547            | 466,203             | 466,400             | 468,573             | 538,892             | 536,334             | 534,902             | 522,948             | 533,841             |
| Hotel, motel tax                                       | 115,272                    | 112,969            | 126,816             | 139,982             | 188,530             | 206,648             | 308,414             | 432,264             | 405,486             | 296,014             |
| Franchise taxes  | 1,381,657                  | 1,383,083          | 1,349,413           | 1,370,578           | 1,416,619           | 1,400,859           | 1,464,398           | 1,414,927           | 1,476,003           | 1,509,857           |
| Financial institution tax                              | 29,702                     | 25,798             | 37,504              | 33,745              | 33,761              | 77,875              | 34,785              | 41,460              | 48,208              | 46,044              |
| Business Taxes   | 392,470                    | 409,776            | 442,094             | 456,762             | 451,893             | 500,078             | 527,302             | 634,411             | 640,558             | 658,818             |
| Contributions not restricted to a specific program     | 663,575                    | 638,610            | 680,784             | 600,130             | 591,414             | 608,173             | 590,435             | 601,143             | 650,284             | 655,739             |
| Operating grants not restricted to a specific programs | 247,293                    | 246,349            | 252,388             | 245,977             | 433,818             | 439,279             | 441,522             | 455,648             | 454,529             | 464,378             |
| Gain on sale of capital assets                         | -                          | -                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 301,892             |
| Unrestricted investment earnings                       | 64,460                     | 13,097             | 19,345              | 18,339              | 19,514              | 19,564              | 15,293              | 87,196              | 129,238             | 145,372             |
| Miscellaneous  | -                          | -                  | -                   | -                   | -                   | -                   | -                   | -                   | 541,926             | -                   |
| Transfers  | 247,000                    | 1,094,754          | 1,478,491           | 1,310,000           | 2,139,518           | 1,824,117           | 2,602,578           | 1,720,367           | 1,902,943           | 1,923,672           |
| <b>Total General Revenues and Transfers</b>            | <b>9,417,083</b>           | <b>10,215,051</b>  | <b>10,699,486</b>   | <b>10,923,246</b>   | <b>12,151,833</b>   | <b>12,315,356</b>   | <b>13,606,138</b>   | <b>13,404,783</b>   | <b>14,784,418</b>   | <b>14,736,654</b>   |
| <b>Change in Net Position</b>                          | <b>\$ (33,583)</b>         | <b>\$ 505,164</b>  | <b>\$ 2,277,009</b> | <b>\$ 2,010,934</b> | <b>\$ 2,663,594</b> | <b>\$ 1,053,603</b> | <b>\$ 4,324,459</b> | <b>\$ 5,224,373</b> | <b>\$ (55,395)</b>  | <b>\$ 2,135,686</b> |

NOTES:  
-1 As restated.  
-2 FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined.

**CITY OF ACWORTH, GEORGIA**  
**CHANGES IN NET POSITION -BUSINESS-TYPE ACTIVITIES**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

|   | Fiscal Year Ended June 30, |                    |                    |                     |                    |                     |                    |                     |                     |                    |
|---|----------------------------|--------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
|   | 2011                       | 2012 (1)           | 2013               | 2014 (2)            | 2015               | 2016                | 2017 (2)           | 2018                | 2019                | 2020               |
| <b>Expenses:</b>                            |                            |                    |                    |                     |                    |                     |                    |                     |                     |                    |
| Electrical Power                            | \$ 11,163,078              | \$ 11,214,845      | \$ 11,526,660      | \$ 11,488,074       | \$ 10,867,184      | \$ 9,787,092        | \$ 10,878,263      | \$ 10,512,965       | \$ 10,865,674       | \$ 11,778,042      |
| Sanitation                                  | 1,192,180                  | 1,221,425          | 1,229,860          | 1,299,983           | 1,467,278          | 1,542,945           | 1,687,567          | 1,797,136           | 1,748,282           | 1,520,443          |
| <b>Total Expenses</b>                       | <b>12,355,258</b>          | <b>12,436,270</b>  | <b>12,756,520</b>  | <b>12,788,057</b>   | <b>12,334,462</b>  | <b>11,330,037</b>   | <b>12,565,830</b>  | <b>12,310,101</b>   | <b>12,613,956</b>   | <b>13,298,485</b>  |
| <b>Program Revenues:</b>                    |                            |                    |                    |                     |                    |                     |                    |                     |                     |                    |
| Charges for Services:                       |                            |                    |                    |                     |                    |                     |                    |                     |                     |                    |
| Electrical Power                            | 12,198,127                 | 12,280,471         | 13,103,125         | 13,548,217          | 13,622,247         | 13,010,289          | 13,587,030         | 13,306,315          | 13,489,767          | 13,342,346         |
| Sanitation                                  | 1,485,494                  | 1,499,678          | 1,531,378          | 1,594,705           | 1,682,170          | 1,716,409           | 1,790,092          | 1,859,419           | 1,922,048           | 2,015,288          |
| Capital grants and contributions            | 9,025                      | 15,295             | 5,019              | 1,870               | 1,300              | 26,008              | 23,153             | 47,383              | 7,550               | 17,752             |
| <b>Total Program Revenues</b>               | <b>13,692,646</b>          | <b>13,795,444</b>  | <b>14,639,522</b>  | <b>15,144,792</b>   | <b>15,305,717</b>  | <b>14,752,706</b>   | <b>15,400,275</b>  | <b>15,213,117</b>   | <b>15,419,365</b>   | <b>15,375,386</b>  |
| <b>Net (Expense) Revenue</b>                | <b>1,337,388</b>           | <b>1,359,174</b>   | <b>1,883,002</b>   | <b>2,356,735</b>    | <b>2,971,255</b>   | <b>3,422,669</b>    | <b>2,834,445</b>   | <b>2,903,016</b>    | <b>2,805,409</b>    | <b>2,076,901</b>   |
| <b>General Revenues and Transfers:</b>      |                            |                    |                    |                     |                    |                     |                    |                     |                     |                    |
| Unrestricted investment earnings            | 14,787                     | 14,640             | 11,033             | 40,881              | 37,845             | 85,686              | 36,639             | 98,006              | 287,238             | 198,843            |
| Gain on sale of capital assets              | -                          | -                  | 1,154              | -                   | -                  | -                   | -                  | -                   | -                   | -                  |
| Miscellaneous                               | -                          | -                  | -                  | -                   | -                  | -                   | -                  | -                   | 1,353               | 25                 |
| Transfers                                   | (247,000)                  | (1,094,754)        | (1,478,491)        | (1,310,000)         | (2,139,518)        | (1,824,117)         | (2,602,578)        | (1,720,367)         | (1,902,943)         | (1,923,672)        |
| <b>Total General Revenues and Transfers</b> | <b>(232,213)</b>           | <b>(1,080,114)</b> | <b>(1,466,304)</b> | <b>(1,269,119)</b>  | <b>(2,101,673)</b> | <b>(1,738,431)</b>  | <b>(2,565,939)</b> | <b>(1,622,361)</b>  | <b>(1,614,352)</b>  | <b>(1,724,804)</b> |
| <b>Changes in Net Position</b>              | <b>\$ 1,105,175</b>        | <b>\$ 279,060</b>  | <b>\$ 416,698</b>  | <b>\$ 1,087,616</b> | <b>\$ 869,582</b>  | <b>\$ 1,684,238</b> | <b>\$ 268,506</b>  | <b>\$ 1,280,655</b> | <b>\$ 1,191,057</b> | <b>\$ 352,097</b>  |

NOTES:  
(1) As restated.  
(2) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined.

**CITY OF ACWORTH, GEORGIA**  
**PROGRAM REVENUES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

| Program/Function                         | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|--|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2011                       | 2012 (1)             | 2013                 | 2014 (2)             | 2015                 | 2016                 | 2017 (2)             | 2018                 | 2019                 | 2020                 |
| <b>Governmental Activities</b>           |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General government                       | \$ 190,155                 | \$ 217,284           | \$ 214,352           | \$ 238,294           | \$ 231,605           | \$ 263,686           | \$ 268,382           | \$ 327,542           | \$ 265,792           | \$ 378,349           |
| Judicial                                 | 1,156,300                  | 948,875              | 1,157,097            | 1,161,935            | 1,084,306            | 1,215,947            | 1,024,324            | 845,966              | 1,086,151            | 892,583              |
| Public works (2)                         | 2,143,256                  | 2,677,012            | 2,839,088            | 4,195,856            | 2,870,130            | 2,732,651            | 3,449,467            | 5,005,291            | 2,229,801            | 4,921,903            |
| Culture and recreation                   | 486,815                    | 463,083              | 625,403              | 584,902              | 1,061,642            | 3,012,751            | 4,897,767            | 5,088,050            | 3,279,488            | 3,387,534            |
| Public safety                            | 94,241                     | 99,836               | 98,632               | 290,220              | 1,704,853            | 1,156,314            | 911,924              | 1,016,421            | 1,335,855            | 1,062,127            |
| Housing and development                  | 125,153                    | 193,495              | 276,632              | 216,779              | 406,544              | 358,863              | 220,612              | 561,095              | 398,655              | 334,626              |
| <b>Subtotal governmental activities</b>  | <u>4,195,920</u>           | <u>4,599,585</u>     | <u>5,211,204</u>     | <u>6,687,986</u>     | <u>7,359,080</u>     | <u>8,740,212</u>     | <u>10,772,476</u>    | <u>12,844,365</u>    | <u>8,595,742</u>     | <u>10,977,122</u>    |
| <b>Business-type activities</b>          |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Electric                                 | 12,207,152                 | 12,295,766           | 13,108,144           | 13,550,087           | 13,623,547           | 13,036,297           | 13,610,183           | 13,353,698           | 13,497,317           | 13,360,098           |
| Sanitation                               | 1,485,494                  | 1,499,678            | 1,531,378            | 1,594,705            | 1,682,170            | 1,716,409            | 1,790,092            | 1,859,419            | 1,922,048            | 2,015,288            |
| <b>Subtotal business-type activities</b> | <u>13,692,646</u>          | <u>13,795,444</u>    | <u>14,639,522</u>    | <u>15,144,792</u>    | <u>15,305,717</u>    | <u>14,752,706</u>    | <u>15,400,275</u>    | <u>15,213,117</u>    | <u>15,419,365</u>    | <u>15,375,386</u>    |
| <b>Total Primary Government</b>          | <u>\$ 17,888,566</u>       | <u>\$ 18,395,029</u> | <u>\$ 19,850,726</u> | <u>\$ 21,832,778</u> | <u>\$ 22,664,797</u> | <u>\$ 23,492,918</u> | <u>\$ 26,172,751</u> | <u>\$ 28,057,482</u> | <u>\$ 24,015,107</u> | <u>\$ 26,352,508</u> |

NOTES:

- (1) As restated.
- (2) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined.

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

|   | Fiscal Year Ended June 30, |                     |                     |                     |                     |                     |                      |                      |                     |                     |
|---|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|
|   | 2011                       | 2012 (1)            | 2013                | 2014                | 2015                | 2016                | 2017                 | 2018                 | 2019                | 2020                |
| <b>General Fund</b>                       |                            |                     |                     |                     |                     |                     |                      |                      |                     |                     |
| Non-spendable                             | \$ 269,441                 | \$ 245,943          | \$ 237,982          | \$ 272,111          | \$ 61,309           | \$ 91,878           | \$ 113,343           | \$ 152,605           | \$ 327,501          | \$ 325,252          |
| Restricted                                | 3,729,973                  | 3,645,885           | 3,158,549           | 3,181,225           | 3,198,814           | 3,004,675           | 3,013,675            | 3,004,277            | 3,004,280           | 3,005,122           |
| Committed                                 | 59,525                     | 24,402              | 13,402              | 7,160               | -                   | -                   | -                    | -                    | -                   | 11,726              |
| Assigned                                  | 29,984                     | 29,222              | 426,844             | 451,576             | 23,300              | 50,289              | 29,816               | 34,078               | 37,970              | 66,793              |
| Unassigned                                | 2,720,302                  | 3,114,548           | 3,194,965           | 3,689,509           | 4,522,607           | 4,695,627           | 4,727,353            | 4,717,355            | 4,549,902           | 4,619,541           |
| <b>Total General Fund</b>                 | <u>\$ 6,809,225</u>        | <u>\$ 7,060,000</u> | <u>\$ 7,031,742</u> | <u>\$ 7,601,581</u> | <u>\$ 7,806,030</u> | <u>\$ 7,842,469</u> | <u>\$ 7,884,187</u>  | <u>\$ 7,908,315</u>  | <u>\$ 7,919,653</u> | <u>\$ 8,028,434</u> |
| <b>All Other Governmental Funds</b>       |                            |                     |                     |                     |                     |                     |                      |                      |                     |                     |
| Non-spendable                             | \$ 1,250                   | \$ 1,250            | \$ 1,250            | \$ 77,162           | \$ 868,138          | \$ 125,000          | \$ 375,000           | \$ 818,837           | \$ 137,584          | \$ 55,944           |
| Restricted                                | 3,446,698                  | 3,992,404           | 5,098,162           | 6,473,100           | 3,159,455           | 4,222,905           | 12,979,209           | 13,368,351           | 3,222,938           | 5,544,565           |
| Committed                                 | 498,442                    | 264,315             | 330,351             | 10,245              | 99,486              | 1,600               | 7,935                | 93,434               | 1,596               | -                   |
| Assigned                                  | 318,403                    | 224,237             | 742,228             | 1,038,632           | 879,274             | 67,067              | 197,729              | 391,970              | 231,755             | 457,486             |
| Unassigned                                | -                          | -                   | -                   | -                   | -                   | (285,719)           | -                    | -                    | -                   | -                   |
| <b>Total All Other Governmental Funds</b> | <u>\$ 4,264,793</u>        | <u>\$ 4,482,206</u> | <u>\$ 6,171,991</u> | <u>\$ 7,599,139</u> | <u>\$ 5,006,353</u> | <u>\$ 4,130,853</u> | <u>\$ 13,559,873</u> | <u>\$ 14,672,592</u> | <u>\$ 3,593,873</u> | <u>\$ 6,057,995</u> |

NOTES:

(1) Fiscal Year 2012 has been restated for implementation of GASB 61 and GASB 65.

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

|  | Fiscal Year Ended June 30, |                   |                   |                    |                    |                    |                   |                   |                      |                      |
|--|----------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|----------------------|----------------------|
|  | 2011                       | 2012 (2)          | 2013              | 2014               | 2015               | 2016               | 2017              | 2018              | 2019                 | 2020                 |
| <b>Revenues:</b>   |                            |                   |                   |                    |                    |                    |                   |                   |                      |                      |
| Taxes  | \$ 8,385,438               | \$ 8,460,186      | \$ 8,589,855      | \$ 9,006,639       | \$ 9,396,110       | \$ 9,876,440       | \$ 10,377,036     | \$ 10,978,119     | \$ 11,544,075        | \$ 11,680,934        |
| Licenses and permits   | 228,062                    | 248,398           | 337,662           | 262,984            | 498,578            | 448,147            | 334,165           | 678,587           | 493,986              | 457,732              |
| Intergovernmental  | 2,854,668                  | 3,355,670         | 4,485,645         | 4,227,472          | 4,724,006          | 6,331,596          | 8,885,956         | 10,312,785        | 5,564,601            | 5,861,118            |
| Charges for services   | 517,494                    | 511,358           | 541,620           | 645,122            | 747,805            | 776,663            | 767,560           | 1,112,230         | 1,686,372            | 1,459,530            |
| Fines and forfeitures  | 1,250,253                  | 980,759           | 1,224,165         | 1,368,753          | 1,247,837          | 1,427,823          | 1,242,738         | 1,153,904         | 1,363,029            | 911,432              |
| Investment earnings  | 72,914                     | 16,560            | 24,155            | 21,191             | 20,705             | 20,953             | 15,391            | 87,196            | 141,518              | 157,682              |
| Contributions and donations  | 29,742                     | 60,289            | 49,856            | 90,765             | 61,340             | 62,343             | 46,197            | 48,809            | 60,473               | 47,091               |
| Other  | 76,279                     | 98,138            | 85,512            | 111,321            | 87,290             | 115,343            | 98,548            | 153,847           | 87,281               | 168,745              |
| <b>Total revenues</b>  | <b>13,414,850</b>          | <b>13,731,358</b> | <b>15,338,470</b> | <b>15,734,247</b>  | <b>16,783,671</b>  | <b>19,059,308</b>  | <b>21,767,591</b> | <b>24,525,477</b> | <b>\$ 20,941,335</b> | <b>\$ 20,744,264</b> |
| <b>Expenditures:</b>   |                            |                   |                   |                    |                    |                    |                   |                   |                      |                      |
| Current:   |                            |                   |                   |                    |                    |                    |                   |                   |                      |                      |
| General Government   | 1,705,337                  | 1,737,926         | 1,792,986         | 2,045,381          | 2,019,309          | 2,219,796          | 2,432,748         | 3,020,174         | 2,945,373            | 2,934,492            |
| Public Safety  | 3,828,645                  | 3,978,739         | 4,001,367         | 4,074,909          | 4,555,384          | 5,313,900          | 5,258,026         | 5,181,747         | 6,471,181            | 6,544,730            |
| Public Works   | 949,323                    | 926,744           | 961,549           | 1,023,966          | 1,044,454          | 1,190,492          | 1,157,841         | 1,150,732         | 1,527,108            | 1,106,906            |
| Health and Welfare   | 1,052                      | 6,272             | 991               | 1,089              | 1,668              | 3,640              | 4,954             | 540               | 5,239                | 651                  |
| Housing and development  | 911,945                    | 930,902           | 952,545           | 983,906            | 916,713            | 1,071,000          | 1,046,120         | 1,086,815         | 1,247,811            | 1,068,544            |
| Judicial   | 358,569                    | 338,509           | 376,499           | 387,141            | 410,749            | 441,673            | 412,535           | 385,566           | 439,560              | 413,919              |
| Culture and recreation   | 1,562,883                  | 1,644,360         | 1,768,951         | 2,011,917          | 2,170,214          | 2,407,869          | 2,740,808         | 2,763,983         | 3,330,133            | 3,136,054            |
| Capital Projects   | 2,285,296                  | 3,064,257         | 3,075,740         | 7,401,758          | 8,127,891          | 7,621,926          | 6,657,675         | 9,038,833         | 16,320,809           | 3,391,610            |
| Debt Service   |                            |                   |                   |                    |                    |                    |                   |                   |                      |                      |
| Principal  | 678,078                    | 1,062,523         | 1,005,211         | 1,102,000          | 1,414,334          | 1,499,675          | 1,656,146         | 1,833,735         | 1,761,658            | 1,798,815            |
| Interest   | 562,781                    | 875,445           | 929,097           | 908,813            | 626,858            | 590,600            | 700,756           | 667,707           | 613,673              | 675,241              |
| <b>Total Expenditures</b>  | <b>12,843,909</b>          | <b>14,565,677</b> | <b>14,864,936</b> | <b>19,940,880</b>  | <b>21,287,574</b>  | <b>22,360,571</b>  | <b>22,067,609</b> | <b>25,129,832</b> | <b>34,662,545</b>    | <b>21,070,962</b>    |
| <b>Excess (deficiency) of revenues over expenditures</b>           | <b>570,941</b>             | <b>(834,319)</b>  | <b>473,534</b>    | <b>(4,206,633)</b> | <b>(4,503,903)</b> | <b>(3,301,263)</b> | <b>(300,018)</b>  | <b>(604,355)</b>  | <b>(13,721,210)</b>  | <b>(326,698)</b>     |
| <b>Other financing sources (uses):</b>                             |                            |                   |                   |                    |                    |                    |                   |                   |                      |                      |
| Transfers in   | 2,224,874                  | 3,253,520         | 3,367,637         | 4,019,221          | 3,777,573          | 3,431,166          | 11,601,700        | 3,212,578         | 3,911,896            | 3,096,087            |
| Transfers out  | (1,977,874)                | (2,218,520)       | (2,297,637)       | (2,709,221)        | (1,738,055)        | (1,607,049)        | (8,999,122)       | (1,492,211)       | (2,045,916)          | (1,172,415)          |
| Payment to refunding agent   | -                          | -                 | (3,300,000)       | (5,285,000)        | -                  | -                  | -                 | -                 | -                    | (5,388,963)          |
| Debt Issued  | -                          | -                 | 3,407,000         | 9,435,000          | -                  | 626,947            | 7,160,000         | -                 | 160,962              | 5,890,000            |
| Insurance Reimbursement  | -                          | -                 | -                 | -                  | -                  | -                  | -                 | -                 | -                    | 134,786              |
| Sale of capital assets   | 11,214                     | 20,035            | 10,993            | 743,620            | 76,048             | 11,138             | 8,178             | 20,835            | 84,961               | 340,106              |
| <b>Total other financing sources (uses)</b>                        | <b>258,214</b>             | <b>1,055,035</b>  | <b>1,187,993</b>  | <b>6,203,620</b>   | <b>2,115,566</b>   | <b>2,462,202</b>   | <b>9,770,756</b>  | <b>1,741,202</b>  | <b>2,111,903</b>     | <b>2,899,601</b>     |
| <b>Extraordinary item</b>  | <b>-</b>                   | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>          | <b>-</b>          | <b>541,926</b>       | <b>-</b>             |
| <b>Total Net change in fund balance</b>                            | <b>829,155</b>             | <b>220,716</b>    | <b>1,661,527</b>  | <b>1,996,987</b>   | <b>(2,388,337)</b> | <b>(839,061)</b>   | <b>9,470,738</b>  | <b>1,136,847</b>  | <b>(11,067,381)</b>  | <b>2,572,903</b>     |
| <b>Debt service as a percentage of noncapital expenditures (1)</b> | <b>11.5%</b>               | <b>16.8%</b>      | <b>16.5%</b>      | <b>16.3%</b>       | <b>15.4%</b>       | <b>12.9%</b>       | <b>14.6%</b>      | <b>14.9%</b>      | <b>12.3%</b>         | <b>13.4%</b>         |

NOTES:

(1) Fiscal Years 2012, 2013, 2016, and 2019 percentages have been adjusted and may differ from previously issued reports.

(2) As restated.

**CITY OF ACWORTH, GEORGIA  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**

| (1)<br>Fiscal<br>Year | Property<br>Tax | Insurance<br>Premium Tax | Intangible<br>Tax | Alcoholic<br>Beverage<br>Excise<br>Tax | Hotel<br>Motel<br>Tax | Real<br>Estate<br>Transfer<br>Tax | (1)<br>Franchise<br>Fees | (2)<br>Other | Total      |
|-----------------------|-----------------|--------------------------|-------------------|--|-----------------------|-----------------------------------|--------------------------|--------------|------------|
| 2011                  | 5,288,575       | 722,530                  | 19,020            | 430,223                                | 115,272               | 5,989                             | 1,381,657                | 422,172      | 8,385,438  |
| 2012                  | 5,086,566       | 958,018                  | 21,769            | 458,547                                | 112,969               | 5,002                             | 1,383,083                | 434,232      | 8,460,186  |
| 2013                  | 5,105,049       | 1,017,576                | 36,389            | 466,203                                | 126,816               | 8,811                             | 1,349,413                | 479,598      | 8,589,855  |
| 2014                  | 5,450,671       | 1,053,603                | 24,185            | 466,400                                | 139,982               | 10,713                            | 1,370,578                | 490,507      | 9,006,639  |
| 2015                  | 5,687,895       | 1,102,373                | 29,669            | 468,573                                | 188,530               | 16,797                            | 1,416,619                | 485,654      | 9,396,110  |
| 2016                  | 5,907,258       | 1,177,704                | 54,895            | 538,892                                | 206,648               | 12,231                            | 1,400,859                | 577,953      | 9,876,440  |
| 2017                  | 6,072,658       | 1,276,993                | 127,435           | 536,334                                | 308,414               | 28,717                            | 1,464,398                | 562,087      | 10,377,036 |
| 2018                  | 6,402,500       | 1,360,988                | 135,530           | 534,902                                | 432,264               | 21,136                            | 1,414,927                | 675,871      | 10,978,118 |
| 2019                  | 6,654,378       | 1,465,968                | 120,222           | 522,948                                | 405,486               | 39,655                            | 1,476,003                | 688,492      | 11,373,152 |
| 2020                  | 6,892,205       | 1,558,478                | 148,012           | 533,841                                | 296,014               | 31,220                            | 1,509,858                | 711,306      | 11,680,934 |

NOTE : Includes General and Special Revenue Funds. Special Purpose Local Option Sales Tax revenues are not included.

(1) 2011 - 2013 Includes franchise taxes previously classified as fees in prior years.

(2) 2011 - 2013 Includes occupational taxes previously classified as fees in prior years.

CITY OF ACWORTH, GEORGIA  
TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY  
LAST TEN DIGEST YEARS  
(unaudited)

| Amounts     |                      |                       |                     |                     |                     |                           |                |                                 |                |                           |                                  |                           |                        |                          |
|-------------|----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------------|----------------|---------------------------------|----------------|---------------------------|----------------------------------|---------------------------|------------------------|--------------------------|
| Digest Year | Residential Property | Agricultural Property | Commercial Property | Industrial Property | Historical Property | Conservation Use Property | Public Utility | Motor Vehicles and Mobile Homes | Other Property | Less: Tax Exempt Property | (1) Total Taxable Assessed Value | (2) Total Direct Tax Rate | Estimated Actual Value | Annual Percentage Change |
| 2010        | 394,104,040          | -                     | 211,377,375         | 6,155,962           | 82,288              | -                         | 11,951,190     | 41,122,877                      | 42,372,226     | 41,169,246                | 665,996,712                      | 7.600                     | 1,664,991,780          | -5.3%                    |
| 2011        | 372,302,549          | -                     | 194,290,388         | 6,161,082           | 100,458             | -                         | 11,870,518     | 39,684,262                      | 41,638,334     | 26,318,183                | 639,729,408                      | 7.600                     | 1,599,323,520          | -3.9%                    |
| 2012        | 319,165,277          | -                     | 200,401,561         | 6,018,673           | 97,952              | -                         | 7,372,761      | 41,787,427                      | 44,841,050     | 16,324,969                | 603,359,732                      | 7.600                     | 1,508,399,330          | -5.7%                    |
| 2013        | 313,876,166          | -                     | 186,926,383         | 6,141,426           | 97,952              | -                         | 8,158,889      | 46,035,491                      | 45,020,601     | 15,545,389                | 590,711,519                      | 7.600                     | 1,476,778,798          | -2.1%                    |
| 2014        | 339,366,538          | -                     | 186,174,264         | 6,091,618           | 97,952              | -                         | 9,878,058      | 39,077,345                      | 47,106,016     | 18,657,078                | 609,134,713                      | 7.600                     | 1,522,836,783          | 3.1%                     |
| 2015        | 366,573,387          | -                     | 200,037,635         | 5,820,460           | 97,952              | -                         | 16,589,303     | 27,249,939                      | 49,130,904     | 23,800,897                | 641,698,683                      | 7.600                     | 1,604,246,708          | 5.3%                     |
| 2016        | 411,861,509          | -                     | 200,927,799         | 5,605,336           | 97,952              | -                         | 18,943,448     | 19,752,856                      | 52,794,265     | 37,729,083                | 672,254,082                      | 7.600                     | 1,680,635,205          | 4.8%                     |
| 2017        | 454,296,722          | -                     | 224,494,868         | 6,285,536           | 111,852             | -                         | 19,203,405     | 14,271,201                      | 54,621,653     | 56,207,104                | 717,078,133                      | 7.600                     | 1,792,695,333          | 6.7%                     |
| 2018        | 485,798,830          | -                     | 253,528,359         | 6,538,872           | 111,852             | -                         | 19,412,027     | 10,476,917                      | 56,699,493     | 70,064,174                | 762,502,176                      | 7.600                     | 1,906,255,440          | 6.3%                     |
| 2019        | 535,268,160          | -                     | 256,246,005         | 6,538,872           | -                   | 421,856                   | 20,815,499     | 8,375,806                       | 59,136,978     | 91,464,761                | 795,336,415                      | 7.600                     | 1,988,341,038          | 4.3%                     |

NOTES:

(1) All property is assessed at 40% of fair market value.

(2) Tax Rates expressed in rate per \$1,000

Source: Tax Digest provided by the Cobb County Tax Commissioner's Office

**CITY OF ACWORTH**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN DIGEST YEARS**  
**(per \$1,000 of Assessed Value)**  
**(unaudited)**

| <b>Overlapping Rates (1)</b> |                   |                    |                 |              |              |                      |                             |             |                      |                  |                     |                              |
|------------------------------|-------------------|--------------------|-----------------|--------------|--------------|----------------------|-----------------------------|-------------|----------------------|------------------|---------------------|------------------------------|
| Tax Digest Year              | City of Acworth   |                    | Cobb County     |              |              |                      | Cobb County School District |             |                      | State of Georgia |                     | Total Overlapping and Direct |
|                              | Operating Millage | Total City Millage | General Millage | Bond Millage | Fire Millage | Total County Millage | General Millage             | School Bond | Total School Millage | General Millage  | Total State Millage |                              |
| 2010                         | 7.600             | 7.600              | 6.820           | 0.220        | 2.560        | 9.600                | 18.900                      | -           | 18.900               | 0.250            | 0.250               | 36.350                       |
| 2011                         | 7.600             | 7.600              | 7.720           | 0.330        | 3.060        | 11.110               | 18.900                      | -           | 18.900               | 0.250            | 0.250               | 37.860                       |
| 2012 (2)                     | 7.600             | 7.600              | 7.720           | 0.330        | 3.060        | 11.110               | 18.900                      | -           | 18.900               | 0.200            | 0.200               | 37.810                       |
| 2013                         | 7.600             | 7.600              | 7.520           | 0.330        | 3.060        | 10.910               | 18.900                      | -           | 18.900               | 0.150            | 0.150               | 37.560                       |
| 2014                         | 7.600             | 7.600              | 7.320           | 0.330        | 3.060        | 10.710               | 18.900                      | -           | 18.900               | 0.100            | 0.100               | 37.310                       |
| 2015                         | 7.600             | 7.600              | 7.120           | 0.330        | 3.060        | 10.510               | 18.900                      | -           | 18.900               | 0.050            | 0.050               | 37.060                       |
| 2016                         | 7.600             | 7.600              | 6.660           | 0.230        | 2.960        | 9.850                | 18.900                      | -           | 18.900               | -                | -                   | 36.350                       |
| 2017                         | 7.600             | 7.600              | 6.760           | 0.130        | 2.960        | 9.850                | 18.900                      | -           | 18.900               | -                | -                   | 36.350                       |
| 2018                         | 7.600             | 7.600              | 8.460           | 0.130        | 2.860        | 11.450               | 18.900                      | -           | 18.900               | -                | -                   | 37.950                       |
| 2019                         | 7.600             | 7.600              | 8.460           | 0.130        | 2.860        | 11.450               | 18.900                      | -           | 18.900               | -                | -                   | 37.950                       |

NOTES:

(1) Overlapping rates are those of Cobb County, Cobb County School System and the State of Georgia that apply to property owners within the City of Acworth.

(2) A verification of prior millage rates was conducted; previously issued reports will differ.

Source: Cobb County Tax Commissioner's Office and Comprehensive Annual Financial Reports of Cobb County and Cobb County School District.

**CITY OF ACWORTH, GEORGIA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT TAX DIGEST YEAR AND NINE YEARS PRIOR  
(unaudited)**

| 2019                               |                        |      |  | 2010                         |                        |      |  |
|------------------------------------|------------------------|------|--|------------------------------|------------------------|------|--|
| Principal Taxpayer                 | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Principal Taxpayer           | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Broadtree Walden Ridge LLC         | \$ 14,488,153          | 1    | 1.82%                                      | WRI Lakeside Marketplace LLC | \$ 10,594,400          | 1    | 1.59%                                      |
| Walmart Real Estate Business Trust | 10,487,244             | 2    | 1.32%                                      | Wal-Mart (3826 N Cobb Pkwy)  | 10,679,586             | 2    | 1.60%                                      |
| Landing at Acworth LLC             | 10,000,000             | 3    | 1.26%                                      | Wal-Mart (3105 N Cobb Pkwy)  | 9,098,559              | 3    | 1.37%                                      |
| WRI Lakeside Marketplace LLC       | 9,415,000              | 4    | 1.18%                                      | Target                       | 8,383,494              | 4    | 1.26%                                      |
| BellSouth Telecomm/AT&T Georgia    | 8,291,602              | 5    | 1.04%                                      | Bellsouth Telecommunications | 7,937,233              | 5    | 1.19%                                      |
| GA Legacy at Acworth LLC           | 8,190,080              | 6    | 1.03%                                      | Lowes Home Centers Inc       | 7,245,178              | 6    | 1.09%                                      |
| Celebration Village Acworth LLC    | 5,920,000              | 7    | 0.74%                                      | Walden Ridge Apartments      | 6,222,400              | 7    | 0.93%                                      |
| Monarch at Acworth Crossing LLC    | 5,695,600              | 8    | 0.72%                                      | Home Depot Inc               | 5,979,510              | 8    | 0.90%                                      |
| SHP V Dogwood Investor LLC         | 5,624,600              | 9    | 0.71%                                      | Stanton Place Apartments     | 5,952,000              | 9    | 0.89%                                      |
| Target Corporation                 | 5,578,308              | 10   | 0.70%                                      | Acworth Hwy 41 LLC           | 4,531,736              | 10   | 0.68%                                      |
| Total Principal Taxpayers          | 83,690,587             |      | 10.52%                                     |                              | 76,624,096             |      | 11.51%                                     |
| All Other Taxpayers                | 711,645,828            |      | 89.48%                                     |                              | 589,372,616            |      | 88.49%                                     |
| Total                              | <u>\$ 795,336,415</u>  |      | <u>100.00%</u>                             |                              | <u>\$ 665,996,712</u>  |      | <u>100.00%</u>                             |

Source: Cobb County Tax Commissioners Office (2010) and City of Acworth Finance Department (2019)

**CITY OF ACWORTH, GEORGIA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

| <b>Tax<br/>Digest<br/>Year</b> | <b>Taxes Levied</b> | <b>Collected Within the<br/>Fiscal Year of the Levy</b> |                               | <b>Collections<br/>in Subsequent<br/>Fiscal Years (2)</b> | <b>Total Collections to Date</b> |                               |
|--------------------------------|---------------------|---|-------------------------------|---|----------------------------------|-------------------------------|
|                                |                     | <b>Amount</b>   | <b>Percentage<br/>of Levy</b> |   | <b>Amount</b>                    | <b>Percentage<br/>of Levy</b> |
| 2010                           | 4,729,136           | 4,573,747   | 96.71%                        | 142,523   | 4,716,270                        | 99.73%                        |
| 2011                           | 4,468,702           | 4,326,349   | 96.81%                        | 140,799   | 4,467,148                        | 99.97%                        |
| 2012                           | 4,161,136           | 4,085,201   | 98.18%                        | 70,868  | 4,156,069                        | 99.88%                        |
| 2013 (1)                       | 4,077,294           | 4,020,616   | 98.61%                        | 50,705  | 4,071,321                        | 99.85%                        |
| 2014                           | 4,257,241           | 4,186,805   | 98.35%                        | 65,760  | 4,252,565                        | 99.89%                        |
| 2015                           | 4,543,730           | 4,491,087   | 98.84%                        | 47,967  | 4,539,054                        | 99.90%                        |
| 2016                           | 4,814,790           | 4,781,829   | 99.32%                        | 18,854  | 4,800,683                        | 99.71%                        |
| 2017                           | 5,195,372           | 5,143,051   | 98.99%                        | 41,592  | 5,184,643                        | 99.79%                        |
| 2018                           | 5,568,779           | 5,493,950   | 98.66%                        | 3,529   | 5,497,479                        | 98.72%                        |
| 2019                           | 5,823,228           | 5,767,977   | 99.05%                        | -   | 5,767,977                        | 99.05%                        |

NOTE: Real and Personal Property.

(1) Information has been updated and will vary from previously issued report.

(2) Includes refunds due to settlement of appeals for respective digest year.

Source: Cobb County Tax Commissioners Office and City of Acworth Finance Department.

**CITY OF ACWORTH, GEORGIA  
ELECTRIC RATE HISTORY PER SEASON  
LAST TEN FISCAL YEARS  
(unaudited)**

| Fiscal Year | Kilowatt Hours Sold<br>All Customer Types | Summer (1) |        |        | Winter (2) |        |        |
|-------------|---|------------|--------|--------|------------|--------|--------|
|             |   | Base Rate  | Tier 1 | Tier 2 | Base Rate  | Tier 1 | Tier 2 |
| 2011        | 100,339,782                               | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2012        | 93,332,043                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2013        | 92,913,478                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2014        | 92,310,033                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2015        | 95,240,176                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2016        | 95,543,435                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2017        | 99,084,205                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2018        | 97,490,363                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2019        | 100,250,686                               | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |
| 2020        | 99,861,313                                | 8.45       | 0.0900 | 0.1240 | 8.45       | 0.0900 | 0.0840 |

Source : City of Acworth Utility Billing

NOTES:

The rate schedule shown is for the predominant customer base (residential) for Acworth Power. Does not include the Power Cost Adjustment which can vary monthly nor the Environmental Compliance Cost Recovery Rate.

- (1) Summer rates are May through October.
- (2) Winter rates are November through April.

**CITY OF ACWORTH, GEORGIA  
PRINCIPAL ELECTRIC REVENUE CUSTOMERS  
(unaudited)**

| 2020            |                    |                       |      |   | 2011                     |                    |                       |      |   |
|-----------------|--------------------|-----------------------|------|---|--------------------------|--------------------|-----------------------|------|---|
| Customer Name   | Type of Business   | Kilowatt Hours Billed | Rank | Percentage of Total Kilowatt Billable Hours Value | Customer Name            | Type of Business   | Kilowatt Hours Billed | Rank | Percentage of Total Kilowatt Billable Hours Value |
| Ingles Markets  | Retail             | 3,499,386             | 1    | 3.50%   | Target Stores            | Retail             | 4,091,600             | 1    | 4.08%   |
| Target Stores   | Retail             | 3,243,400             | 2    | 3.25%   | Ingles Market            | Retail             | 3,826,321             | 2    | 3.81%   |
| Celebration     | Assisted Living    | 2,361,038             | 3    | 2.36%   | Bellsouth                | Telecommunications | 1,622,342             | 3    | 1.62%   |
| Bellsouth       | Telecommunications | 1,873,585             | 4    | 1.88%   | City of Acworth          | Government         | 1,416,196             | 4    | 1.41%   |
| City of Acworth | Government         | 1,788,739             | 5    | 1.79%   | H and L Lands            | Theater            | 1,211,330             | 5    | 1.21%   |
| Solomon-Acworth | Assisted Living    | 1,757,816             | 6    | 1.76%   | Glennecast Inc.          | Manufacturing      | 1,138,176             | 6    | 1.13%   |
| Cobb County     | Government         | 1,399,563             | 7    | 1.40%   | Cobb County Board of Ed. | School District    | 924,140               | 7    | 0.92%   |
| NCG             | Theater            | 1,241,200             | 8    | 1.24%   | Cobb County              | Government         | 719,070               | 8    | 0.72%   |
| Dogwood         | Assisted Living    | 1,161,900             | 9    | 1.16%   | Big Lots                 | Retail             | 559,500               | 9    | 0.56%   |
| Glennecast      | Manufacturing      | 920,800               | 10   | 0.92%   | Chattahoochee Technical  | School             | 553,151               | 10   | 0.55%   |
| Total           |                    | <u>19,247,427</u>     |      | <u>19.27%</u>                                     |                          |                    | <u>16,061,826</u>     |      | <u>16.01%</u>                                     |

Source : City of Acworth Utility Billing

**CITY OF ACWORTH, GEORGIA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE AND GENERAL BONDED DEBT**  
**LAST TEN FISCAL YEARS**  
**(unaudited)**

| Governmental Activities       |                         |                             |                               |                             |                                      |                             |                               | Business-type Activities   |   |                        |  |   |                   |
|-------------------------------|-------------------------|-----------------------------|-------------------------------|-----------------------------|--------------------------------------|-----------------------------|-------------------------------|----------------------------|---|------------------------|--|---|-------------------|
| Fiscal Year                   | (1)<br>Revenue Bonds    | Intergovernmental Contracts | Certificates of Participation | Installment Sales Agreement | Capital Leases                       | (2)<br>Tax Allocation Bonds | Total Governmental Activities | (3)<br>Revenue Bonds       | Capital Leases                                    | Loans Payable          | Total Business-type Activities                 |   |                   |
| 2011                          | 4,550,000               | -                           | 299,638                       | -                           | -                                    | 5,615,000                   | 10,464,638                    | 8,675,000                  | 114,645   | -                      | 8,789,645                                      |   |                   |
| 2012                          | 4,200,000               | -                           | 102,115                       | -                           | -                                    | 5,455,000                   | 9,757,115                     | 8,320,000                  | 72,454  | -                      | 8,392,454                                      |   |                   |
| 2013 (7)                      | 11,892,000              | -                           | -                             | -                           | -                                    | 5,285,000                   | 17,177,000                    | -                          | 207,988   | -                      | 207,988  |   |                   |
| 2014                          | 11,080,000              | -                           | -                             | 3,840,000                   | -                                    | 5,305,000                   | 20,225,000                    | -                          | 142,481   | -                      | 142,481  |   |                   |
| 2015                          | 10,251,000              | -                           | -                             | 3,639,666                   | -                                    | 4,920,000                   | 18,810,666                    | -                          | 91,585  | -                      | 91,585   |   |                   |
| 2016                          | 9,401,000               | 339,629                     | -                             | 3,432,501                   | 239,808                              | 4,525,000                   | 17,937,938                    | -                          | 433,376   | -                      | 433,376  |   |                   |
| 2017                          | 15,681,000              | 266,005                     | -                             | 3,218,271                   | 156,516                              | 4,120,000                   | 23,441,792                    | -                          | 536,728   | -                      | 536,728  |   |                   |
| 2018                          | 14,715,000              | 191,321                     | -                             | 2,996,736                   | -                                    | 3,705,000                   | 21,608,057                    | -                          | 566,621   | -                      | 566,621  |   |                   |
| 2019                          | 13,708,000              | 115,562                     | -                             | 2,767,647                   | 136,452                              | 3,280,000                   | 20,007,661                    | -                          | 399,161   | -                      | 399,161  |   |                   |
| 2020                          | 12,805,000              | 413,716                     | -                             | 2,537,698                   | 108,469                              | 2,845,000                   | 18,709,883                    | -                          | 416,735   | -                      | 416,735  |   |                   |
| <b>Total Outstanding Debt</b> |                         |                             |                               |                             |                                      |                             |                               | <b>General Bonded Debt</b> |   |                        |  |   |                   |
| Fiscal Year                   | Governmental Activities | Business-type Activities    | Total Primary Government      | (4)<br>Personal Income      | (4)<br>Percentage of Personal Income | (4)<br>Per Capita           | (4)<br>Population             | Total Primary Government   | (7)<br>Resources Restricted for Repayment of Debt | Net Primary Government | Estimated Actual Value of Taxable Property (8) | (5)<br>Percentage of Estimated Actual Value of Taxable Property | (4)<br>Per Capita |
| 2011                          | 10,464,638              | 8,789,645                   | 19,254,283                    | 606,193,860                 | 3.18%                                | 920                         | 20,935                        | 13,524,638                 | 652,345   | 12,872,293             | 1,664,991,780                                  | 0.77%   | 615               |
| 2012                          | 9,757,115               | 8,392,454                   | 18,149,569                    | 636,873,440                 | 2.85%                                | 846                         | 21,458                        | 12,622,115                 | 652,596   | 11,969,519             | 1,599,323,520                                  | 0.75%   | 558               |
| 2013 (6)                      | 17,177,000              | 207,988                     | 17,384,988                    | 669,101,468                 | 2.60%                                | 790                         | 21,994                        | 11,892,000                 | -   | 11,892,000             | 1,508,399,330                                  | 0.79%   | 541               |
| 2014                          | 20,225,000              | 142,481                     | 20,367,481                    | 702,935,826                 | 2.90%                                | 903                         | 22,543                        | 11,080,000                 | -   | 11,080,000             | 1,476,778,798                                  | 0.75%   | 492               |
| 2015                          | 18,810,666              | 91,585                      | 18,902,251                    | 738,490,866                 | 2.56%                                | 818                         | 23,106                        | 10,251,000                 | -   | 10,251,000             | 1,522,836,783                                  | 0.67%   | 444               |
| 2016                          | 17,937,938              | 433,376                     | 18,371,314                    | 775,855,080                 | 2.37%                                | 776                         | 23,683                        | 9,740,629                  | -   | 9,740,629              | 1,604,246,708                                  | 0.61%   | 411               |
| 2017                          | 23,441,792              | 536,728                     | 23,978,520                    | 815,130,000                 | 2.94%                                | 988                         | 24,275                        | 15,947,005                 | -   | 15,947,005             | 1,680,635,205                                  | 0.95%   | 657               |
| 2018                          | 21,608,057              | 566,621                     | 22,174,678                    | 856,354,000                 | 2.59%                                | 891                         | 24,881                        | 14,906,321                 | -   | 14,906,321             | 1,792,695,333                                  | 0.83%   | 599               |
| 2019                          | 20,007,661              | 399,161                     | 20,406,822                    | 890,955,000                 | 2.29%                                | 804                         | 25,379                        | 13,823,562                 | -   | 13,823,562             | 1,906,255,440                                  | 0.73%   | 545               |
| 2020                          | 18,709,883              | 416,734                     | 19,126,617                    | 930,927,000                 | 2.05%                                | 736                         | 25,997                        | 13,218,716                 | -   | 13,218,716             | 1,988,341,038                                  | 0.66%   | 508               |

NOTES:

- (1) FY2012 and prior included capital leases and intergovernmental agreements with the Downtown Development authority and Acworth Lake Authority.
- (2) Tax Allocation Bonds - Debt Service is paid by the tax increment received from within the tax allocation district.
- (3) Intergovernment agreement (capital lease) with the Downtown Development Authority concerning bonds for the CableNET Project which was sold in 2005, reclassified in 2013 under GASB 61.
- (4) See economic and demographic schedule for population and personal income information.
- (5) See taxable assessed value schedule for estimated actual value.
- (6) Amounts previously listed in Business-Type activities have been reclassified in 2013 and on as governmental activities under GASB 61.
- (7) Resources related to the TAD Increment have been excluded - previously issued reports will differ.
- (8) Values have been updated and may differ from previously issued reports.

**CITY OF ACWORTH, GEORGIA**  
**DIRECT, OVERLAPPING AND GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2020**

| <u>Governmental Unit</u>                      | <u>Debt<br/>Outstanding</u> | <u>(1)<br/>Estimated<br/>Percentage<br/>Applicable</u> | <u>Estimated<br/>Share of<br/>Direct and<br/>Overlapping<br/>Debt</u> |
|---|-----------------------------|--|---|
| Overlapping Debt:                             |                             |  |   |
| Debt repaid with property taxes               |                             |  |   |
| Cobb County General Obligation Debt           | \$ 13,290,000               | 2.20%  | \$ 292,566  |
| Cobb County School District                   | -                           | 2.20%  | -   |
| Other Debt                                    |                             |  |   |
| Cobb County Parking Deck Certificates         | 7,000,000                   | 2.20%  | 154,098   |
| Cobb - Revenue Bonds                          | 430,160,000                 | 2.20%  | 9,469,550   |
| Cobb County Revenue Anticipation Certificates | 5,305,000                   | 2.20%  | <u>116,784</u>  |
| Subtotal, overlapping debt                    |                             |  | 10,032,998  |
| City direct debt:                             |                             |  |   |
| Direct Governmental Activities Debt (2)       |                             |  | <u>18,709,883</u>   |
| Total direct and overlapping debt             |                             |  | <u>\$ 28,742,881</u>  |

Sources: Assessed value data used to determine applicable percentages provided by the Cobb County Board of Equalization and Assessment. Debt outstanding data provided by each governmental unit.

NOTES: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Acworth. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden of the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

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

(2) Direct Governmental Activities Debt includes Tax Allocation Bonds (which are to be repaid in part with shared intergovernmental tax revenues), debt arrangements with Acworth DDA and Acworth Lake Authority which are blended component units, Intergovernmental Contracts, Capital Leases and an Installment Sale Agreement through Georgia Municipal Association.

**CITY OF ACWORTH, GEORGIA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN DIGEST YEARS  
(unaudited)**

| Digest Year  | 2010                  | 2011                  | 2012                  | 2013                 | 2014                  | 2015                  | 2016                  | 2017                  | 2018                 | 2019                 |
|--|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| <b>Gross Assessed Value</b>  | <u>\$ 707,165,958</u> | <u>\$ 666,047,591</u> | <u>\$ 619,684,701</u> | <u>\$606,256,908</u> | <u>\$ 627,791,791</u> | <u>\$ 665,499,580</u> | <u>\$ 709,983,165</u> | <u>\$ 773,285,237</u> | <u>832,566,350</u>   | <u>886,803,176</u>   |
| <b>Legal Debt Margin</b>   |                       |                       |                       |                      |                       |                       |                       |                       |                      |                      |
| Debt Limit: 10 percent of assessed value                             | 70,716,596            | 66,604,759            | 61,968,470            | 60,625,691           | 62,779,179            | 66,549,958            | 70,998,317            | 77,328,524            | 83,256,635           | 88,680,318           |
| Total net debt applicable to limit (1)                               | 62,293                | -                     | 10,867,720            | 14,920,000           | 13,890,666            | 13,412,938            | 19,321,792            | 17,903,057            | 16,475,647           | 15,342,698           |
| Legal Debt Margin  | <u>\$ 70,654,303</u>  | <u>\$ 66,604,759</u>  | <u>\$ 51,100,750</u>  | <u>\$ 45,705,691</u> | <u>\$ 48,888,513</u>  | <u>\$ 53,137,020</u>  | <u>\$ 51,676,525</u>  | <u>\$ 59,425,467</u>  | <u>\$ 66,780,988</u> | <u>\$ 73,337,620</u> |
| Total net debt applicable to the limit as a percentage of debt limit | <u>0.09%</u>          | <u>0.00%</u>          | <u>17.54%</u>         | <u>24.61%</u>        | <u>22.13%</u>         | <u>20.15%</u>         | <u>27.21%</u>         | <u>23.15%</u>         | <u>19.79%</u>        | <u>17.30%</u>        |

NOTES: Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed valuation of taxable property within the City.

(1) Includes Certificates of Participation fully amortized in Digest Year 2012. Debt in the amount of \$11,892,000 was included under Digest Year 2012 upon the blending of the component units in Fiscal Year 2013 which are Acworth Downtown Development Authority and Acworth Lake Authority. The City has intergovernmental agreements pertaining to the blended component unit issuances. Debt outstanding for the Acworth Lakeside Tax

**Legal Debt Margin Calculation for Fiscal Year 2020**

|  |                      |
|--|----------------------|
| Total Taxable Assessed Value                   | \$ 795,338,415       |
| Add back: exempt real property                 | <u>91,464,761</u>    |
| Total assessed value                           | \$ 886,803,176       |
| Debt limit (10% of total assessed value)       | 88,680,318           |
| Debt applicable to limit                       | 15,342,698           |
| Less: Resources restricted to paying principal | <u>-</u>             |
|  | <u>15,342,698</u>    |
| Legal debt margin                              | <u>\$ 73,337,620</u> |

Source: Tax Digest provided by the Cobb County Tax Commissioner's Office.

**CITY OF ACWORTH, GEORGIA  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS  
 (unaudited)**

| <b>Tax Allocation Bonds</b> |  |   |                                      |                     |                 |                 |
|-----------------------------|--|---|--------------------------------------|---------------------|-----------------|-----------------|
| <b>Fiscal<br/>Year</b>      | <b>Tax<br/>Increment<br/>Revenue (1)</b> | <b>Less:<br/>Operating<br/>Expenses (2)</b> | <b>Net<br/>Available<br/>Revenue</b> | <b>Debt Service</b> |                 | <b>Coverage</b> |
|                             |  |   |                                      | <b>Principal</b>    | <b>Interest</b> |                 |
| 2011                        | 841,903                                  | 3,000                                       | 838,903                              | 150,000             | 355,625         | 166%            |
| 2012                        | 801,380                                  | 3,000                                       | 798,380                              | 160,000             | 345,938         | 158%            |
| 2013                        | 809,435                                  | 3,000                                       | 806,435                              | 170,000             | 335,625         | 159%            |
| 2014 (3)                    | 757,056                                  | 1,250                                       | 755,806                              | 290,000             | 283,058         | 132%            |
| 2015                        | 744,923                                  | -   | 744,923                              | 385,000             | 129,858         | 145%            |
| 2016                        | 767,118                                  | -   | 767,118                              | 395,000             | 119,951         | 149%            |
| 2017                        | 747,774                                  | 24  | 747,750                              | 405,000             | 109,792         | 145%            |
| 2018                        | 760,774                                  | -   | 760,774                              | 415,000             | 99,377          | 148%            |
| 2019                        | 813,823                                  | -   | 813,823                              | 425,000             | 88,709          | 158%            |
| 2020                        | 820,650                                  | -   | 820,650                              | 435,000             | 77,788          | 160%            |

NOTES:

- (1) Includes interest income. FY2012 and FY2014 differ from previously issued reports to include interest earnings.
- (2) Excludes disbursement of Bond Proceeds to Tax Allocation District, distribution of excess funds and debt issuance costs.
- (3) FY2014 Bonds were refinanced.

**CITY OF ACWORTH, GEORGIA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS**

| <b>Fiscal Year</b> | <b>(1)<br/>Population</b> | <b>(2)<br/>Personal<br/>Income<br/>(amounts expressed<br/>in thousands)</b> | <b>(3)<br/>Per<br/>Capita<br/>Personal<br/>Income</b> | <b>(4)<br/>School<br/>Enrollment</b> | <b>Education<br/>Level in Years<br/>of Schooling</b> | <b>(5)<br/>Median<br/>Age</b> | <b>(6)<br/>Unemployment<br/>Rate</b> |
|--------------------|---------------------------|---|---|--------------------------------------|--|-------------------------------|--------------------------------------|
| 2011               | 20,935                    | 606,194   | 28,956  | 6,464                                | *  | 35                            | 9.9%                                 |
| 2012               | 21,458                    | 636,873   | 29,680  | 6,562                                | *  | 35                            | 9.3%                                 |
| 2013               | 21,994                    | 669,101   | 30,422  | 6,719                                | *  | 36                            | 8.5%                                 |
| 2014               | 22,543                    | 702,936   | 31,182  | 6,636                                | *  | 36                            | 7.4%                                 |
| 2015               | 23,106                    | 738,491   | 31,961  | 6,649                                | *  | 36                            | 5.8%                                 |
| 2016               | 23,683                    | 775,855   | 32,760  | 7,159                                | *  | 36                            | 5.0%                                 |
| 2017               | 24,275                    | 815,130   | 33,579  | 7,154                                | *  | 35                            | 4.3%                                 |
| 2018               | 24,881                    | 856,354   | 34,418  | 6,999                                | *  | 36                            | 3.4%                                 |
| 2019               | 25,379                    | 890,955   | 35,106  | 6,997                                | *  | 36                            | 3.3%                                 |
| 2020               | 25,997                    | 930,927   | 35,809  | 6,829                                | *  | 36                            | 7.5%                                 |

\* Information not available

NOTES:

- (1) 2010 Population from U S Census Bureau - differs from prior issued report. All other years are Acworth Community Development Department Estimates.
- (2) Personal Income is derived by multiplying population statistics by Per Capita Income.
- (3) Per Capita Personal Income provided by the City of Acworth Economic Development Department.
- (4) Source : Cobb County Board of Education, North Cobb Christian School, Brookwood Christian School and Cornerstone Prep Academy
- (5) 2010 data from U S Census Bureau. All other years are from Cobb Chamber of Commerce.
- (6) Source :Acworth Economic Development Estimates

**CITY OF ACWORTH, GEORGIA**  
**PRINCIPAL EMPLOYERS**  
**2020 and 2011**  
**(unaudited)**

| <b>2020</b>                      |                            |             |  | <b>2011</b>                  |                            |             |  |
|----------------------------------|----------------------------|-------------|--|------------------------------|----------------------------|-------------|--|
| <b>Employer</b>                  | <b>Number of Employees</b> | <b>Rank</b> | <b>Percentage of Total City Employment</b> | <b>Employer</b>              | <b>Number of Employees</b> | <b>Rank</b> | <b>Percentage of Total City Employment</b> |
| Cobb County School System        | 561                        | 1           | 6.13%                                      | Cobb County School System    | 625                        | 1           | 10.28%                                     |
| Walmart Super Center #3471       | 294                        | 2           | 3.21%                                      | Walmart Super Center #3748   | 297                        | 2           | 4.88%                                      |
| Walmart Super Center #3748       | 291                        | 3           | 3.18%                                      | Target Store T-2091          | 212                        | 3           | 3.49%                                      |
| United Parcel Services Inc.      | 208                        | 4           | 2.27%                                      | Walmart #3471                | 209                        | 4           | 3.44%                                      |
| City of Acworth                  | 180                        | 5           | 1.97%                                      | Home Depot #156              | 153                        | 5           | 2.52%                                      |
| North Cobb Christian             | 178                        | 6           | 1.94%                                      | City of Acworth              | 146                        | 6           | 2.40%                                      |
| Home Depot                       | 175                        | 7           | 1.91%                                      | North Cobb Christian School  | 146                        | 7           | 2.40%                                      |
| Target Store                     | 172                        | 8           | 1.88%                                      | Kohl's Department Store #441 | 140                        | 8           | 2.30%                                      |
| The Holbrook of Acworth          | 140                        | 9           | 1.53%                                      | Cobb Pediatric Therapy       | 140                        | 9           | 2.30%                                      |
| Henry's Louisiana Grill          | 132                        | 10          | 1.44%                                      | Lowe's Home Centers          | 121                        | 10          | 1.99%                                      |
| <b>Total Principal Employers</b> | <b>2,331</b>               |             | <b>25.46%</b>                              |                              | <b>2,189</b>               |             | <b>35.99%</b>                              |
| <b>Other Employers</b>           | <b>6,825</b>               |             | <b>74.54%</b>                              |                              | <b>3,893</b>               |             | <b>64.01%</b>                              |
| <b>Total Employers</b>           | <b>9,156</b>               |             | <b>100.00%</b>                             |                              | <b>6,082</b>               |             | <b>100.00%</b>                             |

Source: City Occupational Tax Department

**CITY OF ACWORTH, GEORGIA**  
**FULL TIME CITY EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(unaudited)**

| <b>Function/Program</b>              | <b>Fiscal Year Ended June 30,</b> |             |             |             |             |             |                 |             |             |             |
|--------------------------------------|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-----------------|-------------|-------------|-------------|
|                                      | <b>2011</b>                       | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017 (2)</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
| <b>General Government</b>            |                                   |             |             |             |             |             |                 |             |             |             |
| Board of Aldermen                    | 5                                 | 5           | 5           | 5           | 5           | 5           | 5               | 5           | 5           | 5           |
| Mayor                                | 1                                 | 1           | 1           | 1           | 1           | 1           | 1               | 1           | 1           | 1           |
| Administration                       | 5                                 | 5           | 5           | 5           | 5           | 5           | 5               | 3           | 4           | 4           |
| Finance                              | 4                                 | 4           | 4           | 4           | 4           | 4           | 5               | 5           | 5           | 5           |
| Information Systems                  | 2                                 | 2           | 2           | 2           | 2           | 2           | 2               | 2           | 2           | 2           |
| Human Resources                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0               | 2           | 2           | 2           |
| Building Maintenance                 | 0                                 | 0           | 0           | 0           | 0           | 0           | 2               | 5           | 5           | 6           |
| Customer Service (1)                 | 8                                 | 6           | 7           | 7           | 7           | 9           | 8               | 8           | 7           | 8           |
| <b>Total General Government</b>      | <b>25</b>                         | <b>23</b>   | <b>24</b>   | <b>24</b>   | <b>24</b>   | <b>26</b>   | <b>28</b>       | <b>31</b>   | <b>31</b>   | <b>33</b>   |
| <b>Judicial</b>                      |                                   |             |             |             |             |             |                 |             |             |             |
| Municipal Court                      | 3                                 | 3           | 3           | 3           | 3           | 3           | 3               | 3           | 3           | 3           |
| <b>Public Safety (1)</b>             |                                   |             |             |             |             |             |                 |             |             |             |
| Police                               | 40                                | 40          | 40          | 40          | 40          | 44          | 43              | 44          | 46          | 45          |
| Support Staff                        | 3                                 | 3           | 3           | 3           | 4           | 4           | 4               | 4           | 6           | 5           |
| Detention/Jail                       | 10                                | 10          | 10          | 10          | 13          | 15          | 16              | 15          | 15          | 16          |
| <b>Total Public Safety</b>           | <b>53</b>                         | <b>53</b>   | <b>53</b>   | <b>53</b>   | <b>57</b>   | <b>63</b>   | <b>63</b>       | <b>63</b>   | <b>67</b>   | <b>66</b>   |
| <b>Public Works</b>                  |                                   |             |             |             |             |             |                 |             |             |             |
| Public Works                         | 11                                | 10          | 10          | 10          | 10          | 11          | 10              | 10          | 12          | 10          |
| <b>Culture &amp; Recreation</b>      |                                   |             |             |             |             |             |                 |             |             |             |
| Culture and Recreation               | 15                                | 15          | 15          | 17          | 21          | 22          | 24              | 24          | 25          | 24          |
| <b>Housing and Development</b>       |                                   |             |             |             |             |             |                 |             |             |             |
| Economic Development (1)             | 2                                 | 2           | 2           | 1           | 1           | 1           | 1               | 1           | 0           | 0           |
| Community Development (1)            | 2                                 | 2           | 2           | 2           | 2           | 2           | 3               | 3           | 3           | 2           |
| Zoning                               | 0                                 | 0           | 0           | 0           | 0           | 0           | 0               | 0           | 0           | 0           |
| Soil Erosion                         | 1                                 | 1           | 1           | 1           | 1           | 1           | 1               | 1           | 1           | 1           |
| Building                             | 4                                 | 4           | 4           | 4           | 4           | 4           | 4               | 4           | 4           | 4           |
| Code Compliance                      | 0                                 | 0           | 0           | 0           | 0           | 0           | 0               | 0           | 0           | 0           |
| <b>Total Housing and Development</b> | <b>9</b>                          | <b>9</b>    | <b>9</b>    | <b>8</b>    | <b>8</b>    | <b>8</b>    | <b>9</b>        | <b>9</b>    | <b>8</b>    | <b>7</b>    |
| <b>Electrical Power</b>              |                                   |             |             |             |             |             |                 |             |             |             |
| Electrical Power                     | 13                                | 14          | 14          | 14          | 15          | 17          | 17              | 17          | 17          | 16          |
| <b>Sanitation</b>                    |                                   |             |             |             |             |             |                 |             |             |             |
| Sanitation                           | 16                                | 17          | 17          | 17          | 16          | 18          | 18              | 16          | 14          | 14          |
| <b>Total</b>                         | <b>145</b>                        | <b>144</b>  | <b>145</b>  | <b>146</b>  | <b>154</b>  | <b>168</b>  | <b>172</b>      | <b>173</b>  | <b>177</b>  | <b>173</b>  |

Source : City Payroll Department

NOTES:

- (1) A historical review of Public Safety, Customer Service, Community Development and Economic Development positions were conducted and data updated; previously issued reports may differ.  
(2) Building Maintenance Department classified in Culture and Recreation in previous report. Previously issued report will differ.

**CITY OF ACWORTH, GEORGIA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(unaudited)**

| Function/Program                   | Fiscal Year Ended June 30, |            |            |            |            |            |            |            |             |            |
|------------------------------------|----------------------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|
|                                    | 2011                       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019        | 2020       |
| General Government                 |                            |            |            |            |            |            |            |            |             |            |
| Business Licenses Issued (1)       | 936                        | 957        | 920        | 901        | 885        | 898        | 917        | 920        | 934         | 956        |
| Purchase Orders Issued             | 2,004                      | 2,013      | 2,048      | 2,436      | 3,087      | 3,510      | 3,717      | 3,856      | 3,811       | 3,264      |
| Public Safety                      |                            |            |            |            |            |            |            |            |             |            |
| Physical arrests                   | 1,731                      | 1,595      | 1,839      | 1,474      | 1,456      | 1,592      | 1,355      | 1,496      | 1,440       | 1,296      |
| Parking violations                 | 284                        | 114        | 86         | 238        | 391        | 106        | 351        | 502        | 265         | 309        |
| Traffic violations                 | 7,180                      | 7,519      | 7,876      | 7,026      | 6,549      | 7,765      | 7,625      | 5,146      | 6,320       | 5,401      |
| Parks and Recreation               |                            |            |            |            |            |            |            |            |             |            |
| Summer Camp Participant Capacity   | 120                        | 120        | 120        | 130        | 120        | 140        | 140        | 140        | 240         | 40         |
| Concerts / Movies                  | 2                          | 2          | 3          | 4          | 4          | 3          | 1          | 2          | 5           | 1          |
| Youth Basketball Participants      | 385                        | 385        | 399        | 405        | 452        | 463        | 470        | 447        | 443         | 498        |
| Housing and Development            |                            |            |            |            |            |            |            |            |             |            |
| Building Code Permits Issued       | 29                         | 74         | 89         | 158        | 273        | 181        | 110        | 235        | 277         | 165        |
| Other Code Permits Issued          | 516                        | 699        | 725        | 483        | 999        | 652        | 466        | 447        | 695         | 557        |
| Total Code Inspections Conducted   | 3,045                      | 2,197      | 3,125      | 2,646      | 2,453      | 3,461      | 1,468      | 2,714      | 3,809       | 1,542      |
| Plan Reviews Conducted             | 4                          | 3          | 3          | 22         | 8          | 15         | 110        | 191        | 164         | 257        |
| Sanitation                         |                            |            |            |            |            |            |            |            |             |            |
| Refuse collected (tons)            | 7,972                      | 7,658      | 7,943      | 8,292      | 8,075      | 8,103      | 8,469      | 8,309      | 8,814       | 9,486      |
| Sanitation Customers - Residential | 6,359                      | 6,410      | 6,433      | 6,488      | 6,564      | 6,784      | 6,875      | 6,955      | 7,082       | 7,127      |
| Power                              |                            |            |            |            |            |            |            |            |             |            |
| Kilowatt hours sold                | 100,339,782                | 93,332,043 | 92,913,478 | 92,310,033 | 95,240,176 | 95,543,435 | 99,084,205 | 97,490,363 | 100,250,686 | 99,861,313 |
| Electrical Power Customers (2)     | 6,220                      | 6,314      | 6,367      | 6,325      | 6,334      | 6,389      | 6,337      | 6,512      | 6,531       | 6,688      |

Sources: Various City Departments

\* Information not available

NOTES:

(2) A historical review was conducted and yielded the following differences from prior reports: a) 2011 Electrical Power Customers.

**CITY OF ACWORTH, GEORGIA  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

| Function                        | Fiscal Year Ended June 30, |        |        |        |        |        |        |        |        |        |
|---------------------------------|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|                                 | 2011                       | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   |
| Public Safety                   |                            |        |        |        |        |        |        |        |        |        |
| Police:                         |                            |        |        |        |        |        |        |        |        |        |
| Stations                        | 1                          | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Patrol units                    | 45                         | 45     | 45     | 47     | 50     | 63     | 63     | 65     | 69     | 67     |
| Sanitation                      |                            |        |        |        |        |        |        |        |        |        |
| Collection trucks               | 5                          | 5      | 6      | 6      | 6      | 8      | 6      | 6      | 6      | 6      |
| Highways and streets            |                            |        |        |        |        |        |        |        |        |        |
| Streets (miles) (1)             | 172                        | 172    | 172    | 172    | 179    | 181    | 181    | 182    | 178    | 178    |
| Streetlights (3)                | 1,396                      | 1,396  | 1,408  | 1,422  | 1,451  | 1,529  | 1,529  | 1,581  | 2,291  | 2,291  |
| Culture and recreation (2)      |                            |        |        |        |        |        |        |        |        |        |
| Park acreage                    | 542.25                     | 542.25 | 542.25 | 542.25 | 542.25 | 545.00 | 545.00 | 545.00 | 545.00 | 545.00 |
| Parks                           | 13                         | 13     | 13     | 13     | 13     | 13     | 13     | 13     | 13     | 13     |
| Beaches                         | 4                          | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      |
| Football Fields                 | 2                          | 2      | 2      | 2      | 2      | 3      | 3      | 3      | 3      | 3      |
| Baseball Fields                 | 11                         | 11     | 11     | 12     | 12     | 12     | 12     | 12     | 12     | 12     |
| Community Centers               | 2                          | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 4      | 4      |
| Electric                        |                            |        |        |        |        |        |        |        |        |        |
| Number of distribution stations | 3                          | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Miles of service lines          | 94.5                       | 94.5   | 94.5   | 94.5   | 94.5   | 94.5   | 94.5   | 94.5   | 100.7  | 100.7  |

NOTES:

- (1) Miles of streets revised during 2011 GPS inventory for GDOT verification. Previous mileage was based on wheel estimates. Prior years have revised estimates based on new more accurate data. This information will differ from previously issued reports.
- (2) Classification of Parks and Community Centers revised in 2014 - This information will differ from previously issued reports.
- (3) Beginning in 2019, Street Light count includes both public street lights and rental security lights maintained by the City.

Sources: Various City Departments

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# **SPECIAL REPORTS**



## NICHOLS, CAULEY & ASSOCIATES, LLC

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Kennesaw, Georgia 30144  
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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*

The Honorable Thomas W. Allegood, Mayor  
Board of Aldermen  
City of Acworth  
Acworth, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Acworth, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 10, 2020.

#### ***Internal Control Over Financial Reporting***

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

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

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

Atlanta | Calhoun | Canton | Dalton | Dublin  
Fayetteville | Kennesaw | Rome | Warner Robins

not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

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

### **Purpose of this Report**

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

*Richards, Cauley + Associates, LLC*

Kennesaw, Georgia

November 10, 2020

**CITY OF ACWORTH, GEORGIA  
HOTEL/MOTEL TAX  
SCHEDULE OF REVENUE RECEIVED AND EXPENDITURES INCURRED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

---

| Revenues       |                 |             | Expenditures   |                 |             |
|----------------|-----------------|-------------|----------------|-----------------|-------------|
| Prior<br>Years | Current<br>Year | Total       | Prior<br>Years | Current<br>Year | Total       |
| \$3,897,535    | \$296,014       | \$4,193,549 | \$3,897,535    | \$296,014       | \$4,193,549 |

\* Expended in Hotel/Motel Tax Special Revenue Fund, General Fund and Acworth Downtown Development Authority and Acworth Tourism Bureau Authority Component Units.

**CITY OF ACWORTH, GEORGIA**  
**RECREATION IMPACT FEE**  
**SCHEDULE OF COLLECTIONS, ENCUMBRANCES, AND FEES**  
**AS OF JUNE 30, 2020**

|   | <u>Prior Year</u> | <u>Current Year</u> | <u>Total</u>     |
|---|-------------------|---------------------|------------------|
| <b><u>Recreational Impact Fee Collections</u></b> | \$ 2,134,760      | \$ 11,000           | \$ 2,145,760     |
| Other Funding Sources                             |                   |                     |                  |
| Interest  | 49,846            | 502                 | 50,348           |
| Local Funding                                     | 134,229           | -                   | 134,229          |
| Grants/Contributions                              | 46,262            | -                   | 46,262           |
| <b>Total Funding - All Sources</b>                | <b>2,365,097</b>  | <b>11,502</b>       | <b>2,376,599</b> |
| <b><u>Fund Uses</u></b>                           |                   |                     |                  |
| <u>Actual Project Expenditures</u>                |                   |                     |                  |
| <u>Project Budget</u>                             |                   |                     |                  |
| Repayment of Capital                              |                   |                     |                  |
| Improvements Element                              | 9,290             | 9,290               | -                |
| Cable Park Gazebo                                 | 123,088           | 123,088             | -                |
| Logan Road Property                               | 150,000           | 150,000             | -                |
| Logan Horsefarm                                   | 708,838           | 708,838             | -                |
| Recreation Master Plan                            | 9,000             | 9,000               | -                |
| Logan Farm Farmhouse                              | 12,472            | 12,472              | -                |
| Cable Park Boardwalk                              | 56,530            | 56,530              | -                |
| Southshore Park                                   | 7,757             | 7,757               | -                |
| Acworth Sports Complex                            | 196,503           | 196,503             | -                |
| Cowan Road  | 5,450             | 5,450               | -                |
| Amos Durr Field                                   | 6,004             | 6,004               | -                |
| School Street Property                            | 3,847             | 3,847               | -                |
| Recreation Office - Logan                         | 131,192           | 131,192             | -                |
| Cowan Trail                                       | 17,300            | 17,300              | -                |
| Multi-Use Lake Trail                              | 166,146           | 166,146             | -                |
| Facility Needs Assessment                         | 20,683            | 20,683              | -                |
| Tanyard Park Trail                                | 4,400             | 4,400               | -                |
| Park Land Acquisition                             | 110,740           | 110,740             | -                |
| Rosenwald School                                  | 10,066            | 10,066              | -                |
| Field 7 Sports Complex                            | 140,032           | 140,032             | -                |
| Joint Use Parking Lot                             | 78,242            | 78,242              | -                |
| Logan Farm Park Expansion                         | 258,524           | 258,523             | -                |
| Community Center                                  | 101,000           | 101,000             | -                |
| <b>Total Uses - All Funding Sources</b>           | <b>2,327,103</b>  | <b>-</b>            | <b>2,327,103</b> |
| Fees Encumbered                                   | -                 | 49,496              | 49,496           |
| Future Projects                                   | \$ -              | \$ -                | \$ -             |

**CITY OF ACWORTH, GEORGIA**  
**1 PERCENT SALES TAX**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

| Project                      | Original<br>Estimated<br>Cost | Revised<br>Estimated<br>Cost (1) | Expenditures         |                     |                      | Estimated<br>Percentage<br>of<br>Completion |
|------------------------------|-------------------------------|----------------------------------|----------------------|---------------------|----------------------|---|
|                              |                               |                                  | Prior<br>Years       | Current<br>Year     | Total                |   |
| <b>2016 SPLOST Program:</b>  |                               |                                  |                      |                     |                      |   |
| Road Improvement<br>Projects | \$ 12,583,827                 | \$ 13,509,666                    | \$ 4,732,476         | \$ 2,033,960        | \$ 6,766,436         | 50.09%                                      |
| Judicial                     | 25,000                        | 25,000                           | -                    | -                   | -                    | 0.00%                                       |
| Parks Projects (2)           | 6,550,000                     | 16,338,015                       | 15,500,402           | 329,920             | 15,830,322           | 96.89%                                      |
| Public Safety<br>Projects    | <u>2,050,000</u>              | <u>2,413,524</u>                 | <u>1,672,066</u>     | <u>297,191</u>      | <u>1,969,257</u>     | 81.59%                                      |
|                              | <u>\$ 21,208,827</u>          | <u>\$ 32,286,205</u>             | \$ 21,904,944        | \$ 2,661,071        | \$ 24,566,015        |   |
|                              |                               | Debt Service Expenditures        | <u>533,094</u>       | <u>78,000</u>       | <u>611,094</u>       |   |
|                              |                               |                                  | <u>\$ 22,438,038</u> | <u>\$ 2,739,071</u> | <u>\$ 25,177,109</u> |   |

- (1) - Revised Estimated Cost includes revisions in original SPLOST budget and other funding sources including interest, grants and local government funds.  
(2) - Includes Joint Project Funds for Recreation Center \$8,500,000 from Cobb County.

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