

City of Acworth, Georgia
Annual Comprehensive Financial Report
For Fiscal Year Ending June 30, 2023



**CITY OF ACWORTH, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023**

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INTRODUCTORY SECTION

Tommy Allegood, Mayor
Board of Aldermen:
Albert L. Price
Gene Pugliese
Tim Houston
Tim Richardson
Brett North



James Albright, City Manager
Douglas R. Haynie, City Attorney
Regina R. Russell, City Clerk

4415 Center Street
Acworth, Georgia 30101
(678) 801-4024

www.acworth.org

December 13, 2023

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

Ladies and Gentlemen:

The Annual Comprehensive Financial Report (ACFR) of the City of Acworth, Georgia for the fiscal year ended June 30, 2023, 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 independent auditing firm of Nichols, Cauley & Associates, LLC to complete the audit of the 2023 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, storm water, 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 22,320 as of June 30, 2023.

The local economy of Acworth is growing through redevelopment and new commercial businesses. The unemployment rate in Acworth was 2.9% in 2023, down slightly from 3.4% in the previous year due to continuing economic impacts of the COVID-19 pandemic. Acworth has approximately 1,017 licensed businesses that employ over 9,968 workers. This is a decrease of 6.1% from 2022. While this is a decrease for fiscal year 2023, developments in the surrounding area impact the local economy favorably.

The City of Acworth continues to benefit from a positive economic climate. The 2022 tax digest of the city increased by 8.2% to a total assessed taxable value of \$978,060,075. This increase is a sign that the economy is stable. The 2023 tax digest was approved by the Cobb County Board of Equalization at the end of June 2023 and had an increase of 13.2%. The increases in the taxable value along with the increase of planned developments are evidence that the economy is improving. Specifically, the growth in the residential and commercial sectors is evident from the increased permits issued and the highly anticipated or formerly "conceptual" projects continue to go vertical.

As the realization of the "conceptual" projects come to fruition, the City has remained steadfast in fostering additional interest in projects. The City Team facilitates a weekly standing development meeting known as "One Stop Shop". This is an opportunity for developers or any other interested party to visit with the entire Acworth team that works on development projects. The phrase "concept to completion" is truly the philosophy and guiding principles associated with our approach to make things happen. Although there are not any major active projects that are coming out of the dirt at the present time, the cycle that we are currently experiencing will result in another bump in our tax digest in future years. Some of the more appealing chain restaurants such as Whataburger along with City Barbeque have been in the conceptual phase for over a year but is nearing the stage wherein, they will be going vertical as will be reported in next year's report.

Major Initiatives

The City's Zoning Ordinance has neared the completion status of its comprehensive review from a committee of Planning and Zoning volunteers, City Elected, City Staff and Consultants (subject matter experts). This endeavor, when implemented, has the opportunity to transform the community in a way that has not occurred in decades. The guiding principles contained within this critical document provide standards that have otherwise been lacking with respect to clarity and consistency. The overall support from the community has been positive and included within this framework of the ordinance will be a Historic Overlay District. This district will provide a layer of oversight within a defined geographical area that will include our downtown and other areas of historical significance.

In November 2020, Cobb County voters approved to continue the Special Local Option Sales Tax (SPLOST). Taxes were levied on January 1, 2022 and the City began receiving revenue in March 2022. Work began in FY2023 on a few projects approved in the 2022 SPLOST to include City-wide IT improvements, City Hall and Power and Public Works Building Improvements, Public Parking, Miscellaneous Stormwater and Brookhaven subdivision road improvements.



The final projects funded with SPLOST (2016) continued during fiscal year 2023. Road improvement projects totaling \$674,519 continued to be completed along with \$668,691 in sidewalks and storm water improvements, \$47,661 in parks projects, and \$90,937 in Public Safety projects. The Dallas Street resurfacing project was completed this year with the retainage payout of \$34,260 and the City began engineering work on Northside Drive. 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.

The Georgia Department of Transportation Road project for State Route 92 widened and enhanced a major portion of the road that travels through Acworth. These improvements also include additional pedestrian options. The project broke ground in fiscal year 2020 and was complete in May 2023. This partnership created streamline traffic flow from US Highway 41 to Interstate 75.

During fiscal year 2023, the city received the final payment of the total \$8,521,070 in Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan. \$368,701 of this amount was distributed to city employees to help aid retention with the negative economic impacts from the COVID-19 public health emergency. Additional amounts spent include professional fees City-wide Information Technology Improvements to include the implementation of a paperless document retention system, as well as engineering for building improvements for City General Governmental, Parks and Public Works services.

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 24.6% of general fund operating expenditures. This balance would cover 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, 2023. 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 annual comprehensive financial report for the year ended June 30, 2022. This was the twenty-third 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 annual comprehensive 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

One of the city's goals is to improve the lifelong well-being of its employees through its wellness program. In September 2023, the city was named the second Healthiest Employer in Atlanta by The Atlanta Business Chronicle for medium size companies for the third consecutive year. Healthiest Employers also ranked Acworth thirty-fifth in its 2023 Healthiest Workplaces in America list.

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,



Diana DeSanto
City Treasurer
City of Acworth





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

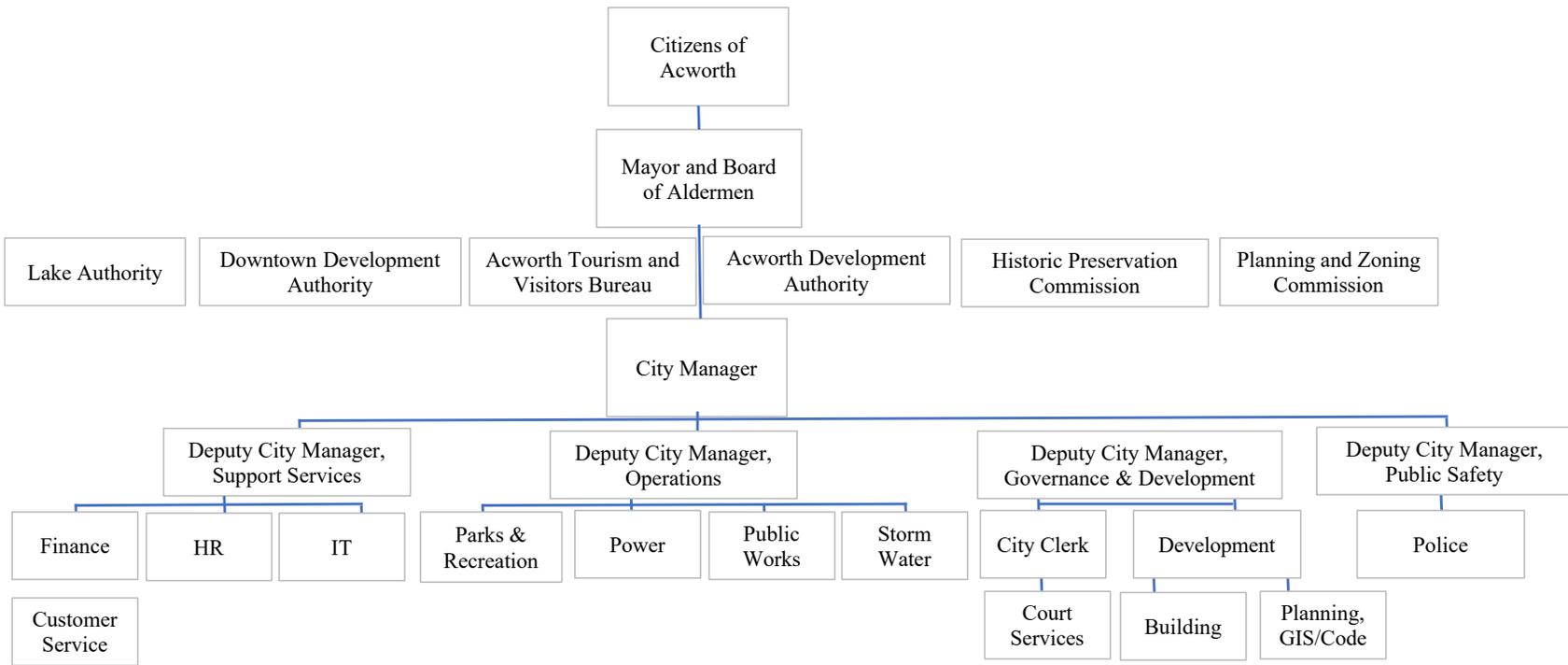
**City of Acworth
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



CITY OF ACWORTH, GEORGIA
CITY OFFICIALS AND ADMINISTRATION
June 30, 2023

Thomas W. Allegood
Mayor

BOARD OF ALDERMEN

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

CITY ADMINISTRATION

James D. Albright
City Manager

Brandon Douglas
Regina R. Russell
Diana DeSanto
Alex Almodovar
Angie Luna
Kim Watt
Jesse Evans
Keith Wilson
Rachelle Ballard
Jeff Chase

Deputy City Manager
City Clerk
Deputy City Manager/City Treasurer
Development Director
Deputy City Manager, Operations
Parks and Recreation Director
Chief of Police
Information Technology Director
Human Resources Director
DDA/Tourism/Historic Preservation

FINANCIAL SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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Kennesaw, Georgia 30144
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the Schedule of Changes in the City’s Net Pension Liability and Related Ratios, 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 5-18 and 62-71 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Acworth, Georgia’s basic financial statements. The combining and individual fund statements and schedules, supplementary information, and special reports section are presented for purposes of additional analysis 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.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2023, 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
December 13, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

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, 2023. 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 \$71,808,936 at the end of the year. This amount includes \$65,138,163 net investment in capital assets, a restricted portion of \$16,898,303 and an unrestricted net position of negative \$10,227,530.
- The City's total net position decreased by \$2,346,197. Net position for governmental activities decreased by \$874,697 or -1.5% and business-type net position decreased by \$1,471,500 or -10.4%.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,085,937, a decrease of \$5,237,144. The net unassigned fund balance of \$4,752,781 is comprised wholly of the General Fund.
- The City's total debt decreased \$2,157,660.

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 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 most 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, solid waste sanitation system, and stormwater 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)

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City of Acworth, Georgia

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 twelve 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, ARPA Grant Fund, Capital Improvement 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 21 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 and ARPA Grant 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 three enterprise funds: Acworth Power, Acworth Sanitation, and Acworth Stormwater. *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, Acworth Stormwater, 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, Acworth Sanitation, and Acworth Stormwater. 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 24 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 28 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.

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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 72 of this report.

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 decreased \$2,346,197 in fiscal year 2023. The net position of the governmental activities includes a \$59,745,644 net investment in capital assets. Capital Assets of \$69,683,766 include land, buildings, park improvements, infrastructure, machinery and equipment net of accumulated depreciation. Related debt includes bonds of \$9,405,000.

The net position of the business-type activities includes \$5,421,217 net investment in capital assets. Capital assets of \$5,496,854 include land, building, electrical infrastructure, other improvements, machinery and equipment, net of accumulated depreciation. Related debt includes financed purchases of \$75,637.

For more detailed information, see the Statement of Net Position on page 19 of the financial statements and the notes to the financial statements.

Summary of Net Position

	Governmental Activities		Business-type Activities		Total		Total % Change 2023-2022
	2023	2022	2023	2022	2023	2022	
Assets:							
Current and Other Assets	\$31,632,358	\$30,739,005	\$23,266,653	\$24,374,439	\$54,899,011	\$55,113,444	-0.39%
Capital Assets	69,683,766	65,676,281	5,496,854	5,592,117	75,180,620	71,268,398	5.49%
Total Assets	101,316,124	96,415,286	28,763,507	29,966,556	130,079,631	126,381,842	2.93%
Deferred outflows of resources:							
Related to OPEB	3,819,888	4,616,392	1,412,835	1,707,432	5,232,723	6,323,824	-17.25%
Related to pensions	2,671,757	1,698,240	749,184	425,370	3,420,941	2,123,610	61.09%
Total Deferred Outflows of Resources	6,491,645	6,314,632	2,162,019	2,132,802	8,653,664	8,447,434	2.44%
Liabilities:							
Current liabilities	11,020,891	4,223,165	2,295,814	2,521,080	13,316,705	6,744,245	97.45%
Long-term liabilities	34,184,570	34,930,264	8,148,706	7,732,497	42,333,276	42,662,761	-0.77%
Total Liabilities	45,205,461	39,153,429	10,444,520	10,253,577	55,649,981	49,407,006	12.64%
Deferred inflows of resources:							
MEAG project	-	-	6,482,162	6,482,162	6,482,162	6,482,162	0.00%
Related to OPEB	3,202,228	2,178,975	1,184,385	805,923	4,386,613	2,984,898	46.96%
Related to pensions	316,776	1,439,513	88,827	360,564	405,603	1,800,077	-77.47%
Total Deferred Inflows of Resources	3,519,004	3,618,488	7,755,374	7,648,649	11,274,378	11,267,137	0.06%
Net position:							
Net investment in capital assets	59,745,644	55,618,323	5,421,217	5,470,095	65,166,861	61,088,418	6.68%
Restricted	16,898,303	21,309,294	-	-	16,898,303	21,309,294	-20.70%
Unrestricted	(17,560,643)	(16,969,616)	7,304,415	8,727,037	(10,256,228)	(8,242,579)	24.43%
Net Position	\$ 59,083,304	\$ 59,958,001	\$ 12,725,632	\$ 14,197,132	\$71,808,936	\$74,155,133	-3.16%

Changes in Net Position

The City’s total revenues before transfers were \$49,844,962 in fiscal year 2023. Expenses before transfers were \$44,010,394 for the same period. Governmental and business-type activities combined provided a \$5,834,568 increase in net position before restatement.

Governmental activities revenues, before transfers, were \$31,967,333 and included \$3,491,061 in charges for services, operating grants and contributions of \$239,953 and capital grants and contributions of \$11,849,043. The total change in

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net position for governmental activities from 2022 to 2023 is \$874,697. The most influential factor of this change in net position is the increase in property tax billing and collections. The total tax digest increased by 8.2%, with residential assessed values contributing to the greatest portion of this increase. The largest governmental activities expenses were for public safety of \$8,076,685, general government of \$6,384,036, culture and recreation of \$5,006,619, and public works of \$3,328,560. Expenses include depreciation expense as explained in the notes to the financial statements.

Business-type activity revenues, before transfers, were \$17,877,629, and included \$17,638,324 in charges for services and \$27,966 in capital grant and contributions. The largest business-type activity expenses were for electric of \$16,332,310 which included wholesale power expenses of \$11,376,647 and personal services of \$2,003,290. Sanitation services include expenses of \$1,034,939 for personal services and \$509,493 in landfill tipping fees. The newly created Stormwater utility fund included expenses for personal services of \$205,218 and operating expenses of \$110,918. The decrease in net position of \$1,471,500 is largely due to wholesale power purchases increasing due to the rising cost of natural gas last year along with spot market purchases during the winter storm.

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	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program:						
Charges for services	\$ 3,491,061	\$ 3,583,965	\$ 17,638,324	\$ 17,228,668	\$ 21,129,385	\$ 20,812,633
Operating Grants and Contributions	239,953	232,674	-	-	239,953	232,674
Capital Grants and Contributions	11,849,043	14,912,663	27,966	53,250	11,877,009	14,965,913
General:						
Property taxes	9,600,941	9,084,772	-	-	9,600,941	9,084,772
Insurance premium taxes	1,826,012	1,699,627	-	-	1,826,012	1,699,627
Alcohol taxes	610,195	620,562	-	-	610,195	620,562
Hotel/motel taxes	500,392	459,656	-	-	500,392	459,656
Franchise taxes	1,622,742	1,593,113	-	-	1,622,742	1,593,113
Financial Institution tax	51,587	39,659	-	-	51,587	39,659
Business Taxes	776,354	701,580	-	-	776,354	701,580
Contributions not restricted	554,362	550,488	-	-	554,362	550,488
Operating Grants not restricted	516,715	492,675	-	-	516,715	492,675
Gain on sale of capital assets	105,462	134,075	2,400	-	107,862	134,075
Unrestricted Interest	222,514	108,556	208,939	(590,405)	431,453	(481,849)
Miscellaneous	-	-	-	8,482	-	8,482
Total Revenues	31,967,333	34,214,065	17,877,629	16,699,995	49,844,962	50,914,060
Expenses:						
General Government	6,384,036	4,166,670	-	-	6,384,036	4,166,670
Judicial	541,641	461,936	-	-	541,641	461,936
Health and Welfare	-	-	-	-	-	-
Public works	3,328,560	4,623,319	-	-	3,328,560	4,623,319
Culture and Recreation	5,006,619	5,146,149	-	-	5,006,619	5,146,149
Public safety	8,076,685	8,260,663	-	-	8,076,685	8,260,663
Housing and Development	1,356,367	1,338,764	-	-	1,356,367	1,338,764
Interest and fiscal charges on long-term debt	319,020	361,673	-	-	319,020	361,673
Electric	-	-	16,332,310	13,554,607	16,332,310	13,554,607
Sanitation	-	-	2,345,268	2,050,194	2,345,268	2,050,194
Stormwater	-	-	319,888	-	319,888	-
Total Expenses	25,012,928	24,359,174	18,997,466	15,604,801	44,010,394	39,963,975
Change in Net Position before Transfers	6,954,405	9,854,891	(1,119,837)	1,095,194	5,834,568	10,950,085
Transfers	351,663	1,565,673	(351,663)	(1,565,673)	-	-
Change in net position	7,306,068	11,420,564	(1,471,500)	(470,479)	5,834,568	10,950,085
Net Position - Beginning	59,958,001	48,537,437	14,197,132	14,667,611	74,155,133	63,205,048
Restatement	(8,180,765)	-	-	-	(8,180,765)	-
Net Position - Ending	\$ 59,083,304	\$ 59,958,001	\$ 12,725,632	\$ 14,197,132	\$ 71,808,936	\$ 74,155,133

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

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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 \$6,954,405 before transfers and restatement. Governmental activities decreased the City’s net position by \$874,697 after net transfers of \$351,663 and a restatement of \$8,180,765. This accounts for 37% of the total decrease in net position.

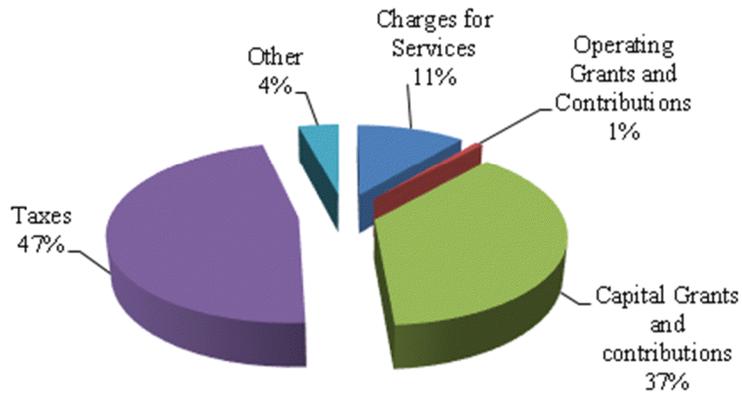
The following table illustrates the costs of governmental expenses along with the net costs after the deduction of program revenues:

Governmental Activities		
	FY 2023 Total Expenses	FY 2023 Net (Expense) Revenue and Change in Net Position
General Government	\$ 6,384,036	\$ (2,865,011)
Judicial	541,641	250,078
Public Works	3,328,560	3,707,408
Culture and Recreation	5,006,619	(2,492,103)
Public Safety	8,076,685	(6,736,952)
Housing and Development	1,356,367	(977,271)
Interest and Fiscal Charges	319,020	(319,020)
Total	\$ 25,012,928	\$ (9,432,871)

Additional information concerning net cost of services may be found in the Statement of Activities on Page 20.

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

Revenues - Governmental Activities FY2023



Revenue Impacts:

- Taxes of \$14,988,223 provided 47% of governmental revenues of general operations. Property Taxes in the amount of \$9,600,941 represent 64% of taxes. The M&O millage remained at 8.95 mills.

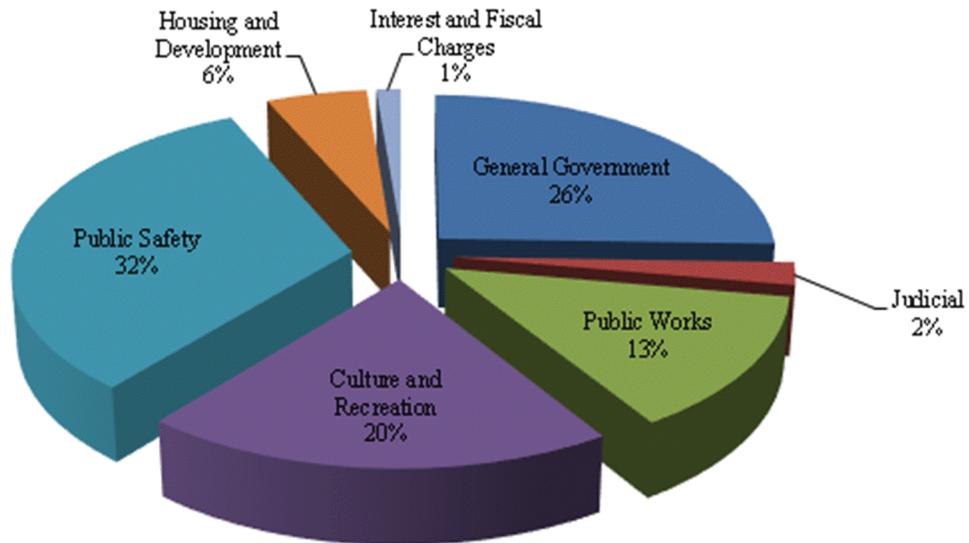
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

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City of Acworth, Georgia

- Capital Grants and Contributions of \$11,849,043 provided 37% 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 \$3,491,061, provides 11% of governmental revenues of general operations and includes municipal court fines of \$791,719 culture and recreation fees of \$1,165,206.
- The transfers from business-type activities in the amount of \$351,663 decreased \$1,214,010 from the prior year transfer of \$1,565,673.

Expenses - Governmental Activities - FY2023



Expense Impacts:

- Personnel expense overall increased 4% as a result of retention bonuses totaling \$368,701 paid from the Coronavirus State and Local Fiscal Recovery Fund as well as pay adjustments and timing of filling positions.
- Public Safety expenses of \$8,076,685 account for 32% of governmental expenses. This is a decrease of 2% from prior year as a result of lease expenses for the replacement of 800 MHz portable and in car radios as well as vehicle purchases from the 2016 and 2022 SPLOST made in the prior fiscal year.
- Public Works expenses of \$3,328,560 account for 13% of governmental expenses. Current year projects include the addition of the Maple Street Public Parking Lot, Brookhaven Subdivision Road Improvements, as well as Miscellaneous Stormwater improvements. These expenditures total a 28% decrease from prior year is the result of the timing of capital projects, namely the completion of the Dallas Street project in the prior year. Most of the public works projects are funded through SPLOST and capital grants.
- General government expenses of \$6,384,036 represent 26% of governmental expenses and increased 53% from prior year primarily due to expenses related to the installation of underground fiber connectivity for all City-facilities and building renovations. City Hall and Power and Public Works building renovations were still under construction at the end of FY2023 and totaled \$1,065,617 in SPLOST funding.
- Culture and recreation expenses of \$5,006,619 decreased 3% from prior year and represents 20% of governmental expenses. The change is primarily the result of the timing of capital projects that were under development in the prior year such as the expansion efforts at Logan Farm Park, the improvement of the Farm House facility at Logan Farm Park and the acquisition of property at Overlook Park . The current year projects included the CDBG funded renovation project at the Rosenwald School.
- Interest and fiscal service charges on debt service decreased \$42,653 due to debt reduction.
- Total expenses increased \$653,754 (approximately 3%) from the prior year.

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June 30, 2023

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 decreased \$1,119,837 before net transfers out of \$351,663.

Business Activities		
	FY 2023 Total Expenses	FY 2023 Net (Expense) Revenue and Change in Net Position
Electric	\$ 16,332,310	\$ (915,863)
Sanitation	2,345,268	(95,425)
Stormwater	319,888	(319,888)
Total	\$ 18,997,466	\$ (1,331,176)

Program revenues for business-type activities for fiscal year 2023 were \$17,877,629; an increase of \$1,177,634 from prior year as the result of rate adjustments for both electric and sanitation services during the fiscal year and positive returns on investment earnings.

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. Particularly, 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.

Financial Analysis of the City’s Major Governmental Funds						
Fund	Fund Balances 06/30/2022 As Restated	Revenues / Sources	Expenditures / Uses	Revenues/Sources or (Under) Expenditures/Uses	Fund Balances 06/30/2023	
General Fund	\$ 8,194,672	\$ 18,585,274	\$ 18,478,705	\$ 106,569	\$ 8,301,241	
SPLOST	8,521,731	7,996,298	5,287,795	2,708,503	11,230,234	
Capital Improvement	2,519,205	5,203,826	5,181,512	22,314	2,541,519	
ARPA Grant	-	3,154,661	3,154,661	-	-	

As of June 30, 2023, the City’s governmental funds reported combined ending fund balances of \$23,085,937, a decrease of \$5,237,144 in comparison with the prior year. The General Fund had an increase in fund balance of \$106,569. The SPLOST Fund is a major fund and had an increase in fund balance of \$2,708,503 because of the timing of capital projects beginning in comparison of receipt of SPLOST revenues. The ARPA Grant Fund is a major fund and had a net change in fund balance of \$0 due to restatement of prior year grant revenues and transfers. The net effect is a fund balance of \$0 as of June 30, 2023. The Capital Improvement Fund is a major fund and had a decrease in fund balance of \$3,897,916 largely because of the restatement. Projects are still in progress as of the end of the fiscal year. Other non-major Governmental Funds had a net increase of \$106,235 for a total fund balance of \$1,012,943; the majority of which is in the Confiscated Assets Fund.

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City of Acworth, Georgia

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.

General Fund

At June 30, 2023, Acworth’s total fund balance for General Fund was \$8,301,241 and consisted of the following:

- Nonspendable – \$401,038 for prepaid insurance and future services.
- Restricted – \$18,196 for Public Safety, \$7,011 for Culture and Recreation, \$1,278 for Housing and Development, \$8,119 for Public Works; \$1,145 for Judicial, \$12,796 for General Government, and \$3,000,000 for voter appropriation.
- Assigned – \$7,402 for Housing and Development, \$48 for Public Safety, and \$91,425 for Culture and Recreation.
- Unassigned – \$4,752,781 which is an increase of \$35,133 from prior year.

Total Fund balance for the General fund increased \$106,569 from prior year.

As a measure of the General Fund’s liquidity, it may be helpful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 31% of the total fiscal year 2023 expenditures before transfers, while total fund balance is 53% of the same amount.

General Fund - Revenues by Source						
	FY2023		FY2022		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 14,796,021	82%	\$ 14,053,412	81%	\$ 742,609	5%
License & Permits	532,032	3%	472,179	3%	59,853	13%
Intergovernmental	77,672	0%	101,128	1%	(23,456)	-23%
Charges for Services	1,449,112	8%	1,541,770	9%	(92,658)	-6%
Fines & Forfeitures	791,719	4%	926,388	5%	(134,669)	-15%
Investment Earnings	197,062	1%	107,065	1%	89,997	84%
Contributions & Donations	78,336	0%	63,674	0%	14,662	23%
Other	154,806	1%	82,936	0%	71,870	87%
Total	\$ 18,076,760	100%	\$ 17,348,552	100%	\$ 728,208	4%

The following provides an explanation of revenues by source changes from FY2022 to FY2023:

- **Taxes.** Property taxes are the most significant revenue source during the year at \$9,710,296 and represent 66% of tax revenues. The taxable digest increased 8.2% and the millage rate remained at 8.95 mills during the fiscal year. Insurance Premium Taxes increased 7.4% to \$1,826,012. Occupational Taxes also increased 10.7% to \$776,354.
- **Licenses and permits.** License and permits saw an increase of \$59,853 (13%). Building code permits make up the bulk of the increase at \$57,342 higher than prior year due to changes in fee schedules. Licenses and permits represent 3% of the total General Fund revenues before transfers.
- **Intergovernmental.** Intergovernmental revenue decreased 23% to \$77,672. The decrease is related to a Public Safety Officials and First Responders Supplement Grant received in the prior year.
- **Charges for service.** Charges for services decreased 6% to \$1,449,112 mainly due to the closing of the Jail at the end of the prior year. Thus, the city is no longer receiving payments for housing inmates from other municipalities.
- **Fines and forfeitures.** Fines and forfeitures represent 4% of total General Fund revenues and decreased 15% to \$791,719. Decreased traffic violations contributed to the change from the prior year.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

- **Investment earnings.** Investment earnings increased 84% from the prior year due to the increase in cash balances and interest rate fluctuations.
- **Contributions and donations.** Contributions and donations increased 23% to \$78,336; donations are used to fund programs such as Acworth Achievers, Expanding Horizons, and the Acworth Community Garden. Contributions and donations increased due to program activities returning to normal after being reduced during the pandemic.
- **Other.** Other revenue increased 87% to \$154,806. The increase is attributed predominantly to reimbursements for damaged property.

General Fund - Expenditures by Function						
	FY2023		FY2022		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General Government	\$ 3,184,406	21%	\$ 2,843,291	18%	\$ 341,115	12%
Public Safety	6,049,855	39%	6,570,550	42%	(520,695)	-8%
Public Works	920,208	6%	1,209,135	8%	(288,927)	-24%
Housing & Development	1,076,541	7%	1,127,983	7%	(51,442)	-5%
Judicial	497,325	3%	410,178	3%	87,147	21%
Culture & recreation	3,484,736	22%	3,129,623	20%	355,113	11%
Debt Service	351,756	2%	351,832	2%	(76)	0%
Total	\$15,564,827	100%	\$15,642,592	100%	\$ (77,765)	0%

The following provides an explanation of expenditures by function changes from FY2022 to FY2023:

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

- **General government.** Increased \$341,115 or 12% from prior year and was mostly attributed to a reorganization of personnel and pay adjustments.
- **Public Safety.** Public safety consists of the police department activities and housing of inmates at other facilities. FY2023 had a decrease of \$520,695 or -8%. This decrease was primarily attributed to closing the jail operations at the end of the prior year.
- **Public Works.** Public works decreased \$288,927 or -24%. Personnel cost decreased by \$135,904 due to vacancies in the Streets Department and the timing of filling open positions.
- **Housing and Development.** Housing and development decreased \$51,442 or -5% due to personnel re-organization and timing of filling open positions in the prior year.
- **Judicial.** Municipal court operations increased \$87,147 or 21% due to reorganization of personnel and a \$34,574 increase in police fine refunds.
- **Culture and Recreation.** Culture and recreation increased \$355,113 or 11%. Most of this increase relates to the increase in personnel costs.

SPLOST

At June 30, 2023, SPLOST fund balance was \$11,230,234. SPLOST proceeds are received monthly, and the levy will continue through December 2027. SPLOST receipts totaling \$7,934,911 were received during the year. Work began in FY2023 on a few projects approved in the 2022 SPLOST to include City-wide IT improvements, City Hall and Power and Public Works Building Improvements, Public Parking, Miscellaneous Stormwater and Brookhaven Subdivision Road improvements. City-Wide IT Improvements totaled \$489,434 and included the installation of underground fiber connectivity for all City-facilities. City Hall and Power and Public Works building renovations were still under construction at the end of FY2023 and totaled \$1,065,617 in SPLOST funding. Additionally, the City expended \$500,000 in 2022 SPLOST funding as a portion of the Maple Street Parking lot addition as well as \$936,974 to repave the roads in the Brookhaven subdivision. Finally, the City expended \$158,705 in Stormwater improvements.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

CAPITAL IMPROVEMENT

At June 30, 2023, the fund balance was \$2,541,519. Committed Fund Balance of \$256,568 relates to open purchase orders for current projects. Assigned Fund Balance of \$2,284,951 includes funds assigned for future projects and purchases. Transfers in from the general fund and the Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan during FY2023 are to provide funding for capital projects that are needed city-wide and include downtown parking improvements, technology and security upgrades, bridge and facility improvements. During FY2023, CDBG funding of \$315,984 was awarded for site improvements and renovations to the Rosenwald school.

ARPA GRANT

The City entered into an agreement to receive Coronavirus State and Local Fiscal Recovery Funds through the American Rescue Plan Act (ARPA). City’s allocation totaling \$8,521,070 was recognized in FY2022 and FY2023. These funds are required to be encumbered by December 31, 2024 and spent by December 31, 2026.

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 \$500,392; an increase of \$40,736 or 9%.
- **Recreational Impact Fee Fund** – Assessed at \$500 per residential dwelling for recreational purposes. Fees received were \$15,500. Fund Balance is \$105,318 at June 30, 2023.
- **Confiscated Asset Fund** – Total revenues of \$147,310 are related to the seizure of property associated with illegal substances or activities. Fund balance is \$847,734 at June 30, 2023.
- **Soil Erosion Fees Fund** – Fees received in FY2023 were \$1,557. Fund balance is \$22,111 at June 30, 2023.
- **Emergency Telephone System Fund** – Total revenues of \$543,389 account for the receipt of prepaid wireless 911 fees and non-prepaid wireless 911 fees from the Georgia Department of Revenue.
- **Acworth Lake Authority** – Fund Balance at June 30, 2023 is \$9,530. 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, 2023 is \$28,250. The Authority is blended with the primary government based on the debt relationship. Debt service payments are made by the primary government.

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, 2023 is \$1,475,000 and will be paid off in 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 three enterprise funds and two internal service funds. The change in net position of the proprietary funds for FY2023 was \$(1,408,520).

Acworth Power provides electrical service to over 7,000 residential and commercial customers. Operating revenues of Acworth Power increased 2% from the prior year due to rate adjustments in February 2023. Personal services increased 3% due to pay adjustments in FY2023. Operating expenses increased 23% in fiscal year 2023 mostly due to the increase in wholesale power costs. Therefore, the operating income saw a decrease of \$2,240,653. Kilowatt hours sold decreased by -3% to 96,532,822. Wholesale power costs increased \$1,971,642, or 21%. As a participant of MEAG, the City incurs costs related to the Vogtle Construction Project which are part of the wholesale power costs. Investment earnings increased \$799,344 due to changes in market conditions. Transfers out remained consistent with the prior year. Net position for Acworth Power decreased \$1,313,095 to \$13,534,605.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

Acworth Sanitation provides solid waste sanitation services to approximately 7,500 residential and commercial customers, collecting over 8,200 tons of refuse. Sanitation rates were adjusted during the year. Operating revenues increased \$56,393 from prior year and personal expenses increased \$81,655. Pension and OPEB adjustments during FY2023 accounted for most of this increase. Net position for Acworth Sanitation decreased \$95,425 to a negative \$853,233.

Acworth Stormwater is responsible for soil erosion and water quality inspections, and completion of all state and federally required reporting. The City maintains a permit to discharge stormwater in the municipal stormwater management system and must demonstrate we are monitoring our streams and complying with applicable state and federal laws in order to maintain this status. The city will start billing its newly implemented stormwater utility fee in FY2024.

Enterprise Net Operating Income (Loss) Non-Operating Revenues (Expenses) and Transfers In (Out)		
	Fiscal Year	
	2023	2022
Operating Income (Loss):		
Acworth Power	\$ (880,824)	\$ 1,359,829
Acworth Sanitation	(92,087)	148,415
Acworth Stormwater	(319,888)	-
Total	<u>(1,292,799)</u>	<u>1,508,244</u>
Non-Operating Revenues (Expenses)	<u>207,976</u>	<u>(587,965)</u>
Contributed Capital	<u>27,966</u>	<u>53,250</u>
Income (Loss) Before Transfers	<u>(1,056,857)</u>	<u>973,529</u>
Transfers In (Out)	<u>(351,663)</u>	<u>(1,436,703)</u>
Change in Net Position	<u>\$ (1,408,520)</u>	<u>\$ (463,174)</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, Acworth Sanitation, and Acworth Stormwater, as well as occupational tax certificate holders and administration of property tax collections. The Customer Service Fund had a change in net position of \$(62,980) for an ending net position of \$1,251.

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 rates increased in FY2023. Costs were allocated to the related funds; however, the insurance fund ended the year with a decrease in net position due to the budgeted use of prior year surplus funds. Additional information on the insurance is contained in Note 15 in the notes to the financial statements.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

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, 2023 can be found in Required Supplementary Information.

During June 2022, the City adopted a General Fund budget of \$17,604,235 for General Fund expenditures (excluding transfers out) for FY2023. At the end of the fiscal year, the final actual expenditures were \$16,620,809 (excluding transfers out) which was a decrease of \$983,426 from the original adopted budget. The final amended budget expenditures were adjusted to \$16,694,067 (excluding transfers). The difference between the original budget and the final amended budget is a decrease of \$910,168.

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

Revenues:

- Taxes were 7% more than original projections mostly due to an increase in property taxes received.

Expenditures:

- The 6% difference between original budget and actual expenditure results is largely due to salary and benefits savings from vacancies in the Police, Building Inspections and Streets Department.

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, 2023, amounts to \$69,683,766 and \$5,496,854 respectively. These are net of accumulated depreciation and related debt. This investment includes land, buildings, vehicles and equipment as well as infrastructure.

	2023 Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Construction in Progress	\$ 4,611,146	\$ 1,752,449	\$ -	\$ -	\$ 4,611,146	\$ 1,752,449
Land	8,612,802	8,394,740	202,408	202,408	8,815,210	8,597,148
Buildings and Improvements	17,387,190	18,278,010	8,796	12,304	17,395,986	18,290,314
Electrical System	-	-	4,513,981	4,715,447	4,513,981	4,715,447
Improvements other than buildings	7,788,190	7,650,672	10,007	16,218	7,798,197	7,666,890
Intangible Assets	3,744	20,924	-	-	3,744	20,924
Vehicles and Equipment	3,160,631	3,532,105	761,662	645,740	3,922,293	4,177,845
Infrastructure	28,120,063	26,047,381	-	-	28,120,063	26,047,381
Total	\$69,683,766	\$65,676,281	\$ 5,496,854	\$ 5,592,117	\$75,180,620	\$71,268,398

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

Governmental activities:

- Infrastructure – \$4,231,231 to include the repaving of Kemp Ridge Road and Brookhaven subdivision roads, Dallas Street Road improvements as well as expenditures for miscellaneous paving, sidewalk and drainage improvements and City-wide dark fiber installation and connectivity.
- Construction in Progress -\$4,313,325 additions include City Hall Renovations, Power and Public Works Building Renovations, and the Maple Street Public Parking Lot.
- Parks and Recreation Equipment - \$320,654
- Public Works Equipment - \$91,774.
- Land – purchases of 4 acres to expand our Logan Farm Park and Community Center offerings totaling \$710,322.

MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

Business-type activities:

- Electrical Infrastructure - \$210,337.
- Construction in Progress for building renovations - \$941,289
- Power Vehicles and Equipment - \$90,838.
- Sanitation Vehicles and Equipment - \$260,772.
- Stormwater Vehicles - \$32,450

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.

Long-term Debt

At the end of the 2023 fiscal year, the City had \$13,079,400 in outstanding long-term debt. This is a decrease of \$2,157,660 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 \$116,650,275 which is in excess of the City’s outstanding general obligation debt.

Debt outstanding at June 30, 2023 is as follows:

- Tax Allocation District Bonds - \$1,475,000
- Acworth Downtown Development Authority – Revenue Bonds - \$3,235,000
- Acworth Downtown Development Authority – Series 2017 Bonds - \$6,170,000
- Installment Sales Agreement through Georgia Municipal Association - \$1,764,667
- Financed Purchases – Vehicles and equipment - \$434,733

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, 2024 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 \$19,744,816. The expected unassigned fund balance for the General Fund at the end of FY2023 to remain relatively unchanged at \$4.7 million.
- Transfers out for debt service was budgeted at \$703,825.
- The millage rate is adopted in July of each year for the operations and maintenance in General Fund. The millage rate for fiscal year 2023 remained at 8.95. The adopted budget for FY 2024 has the millage rate remaining at 8.95.
- The 2023 taxable digest was \$1,107,321,331, which was 13.2% higher than the prior year. The budget is adopted in June and the approved digest is received shortly thereafter. Property taxes are a primary revenue stream and subject to changes based on reassessments and development.
- The 2024 population is estimated at 22,767 from the preliminary results of the 2020 census. This is an increase of approximately 2% from 2023.
- SPLOST (2016) receipts ended in FY2022. The levy for the SPLOST (2022) began January 2022. SPLOST (2022) projects include city-wide information technology improvements, facility improvements, parks and recreation improvements, 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 has deferred 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% - 06/30/2023 balance \$3,235,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

June 30, 2023

City of Acworth, Georgia

- City of Acworth Street Project - Mature July 2031; interest rate 2.25% - 06/30/2023 balance \$6,170,000.
- 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% - 06/30/2023 balance \$1,764,667.
- 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% - 06/30/2023 balance \$1,475,000.

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.

CITY OF ACWORTH, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Acworth Tourism Bureau Authority
Assets:				
Cash and cash equivalents	\$ 7,776,404	\$ 4,980,874	\$ 12,757,278	\$ -
Investments	839,985	5,474,110	6,314,095	-
Receivables, net	98,387	1,957,599	2,055,986	-
Due from other governments	1,595,231	-	1,595,231	21,998
Due from primary government	-	-	-	181,868
Due from component unit	42,789	-	42,789	-
Internal balances	(166,783)	166,783	-	-
Inventories	-	813,129	813,129	-
Prepaid items	511,110	30,868	541,978	1,250
Restricted assets	20,935,235	9,843,290	30,778,525	-
Capital assets, non depreciated	13,223,948	202,408	13,426,356	-
Capital assets, depreciated, net	56,459,818	5,294,446	61,754,264	-
Total assets	101,316,124	28,763,507	130,079,631	205,116
Deferred outflows of resources:				
Related to OPEB	3,819,888	1,412,835	5,232,723	-
Related to pensions	2,671,757	749,184	3,420,941	-
Total deferred outflows of resources	6,491,645	2,162,019	8,653,664	-
Liabilities:				
Accounts payable and other current liabilities	2,413,823	688,841	3,102,664	8,183
Due to component unit	181,868	-	181,868	-
Due to other governments	87,839	-	87,839	42,789
Customer deposits	-	1,411,020	1,411,020	-
Unearned revenue	5,741,578	-	5,741,578	-
Noncurrent liabilities:				
Due within one year:				-
Total OPEB liability	109,500	40,500	150,000	-
Long-term obligations	2,486,283	155,453	2,641,736	-
Due in more than one year:				-
Net pension liability	5,535,948	1,552,331	7,088,279	-
Total OPEB liability	17,662,512	6,532,710	24,195,222	-
Long-term obligations	10,986,110	63,665	11,049,775	-
Total liabilities	45,205,461	10,444,520	55,649,981	50,972
Deferred inflows of resources:				
Deferred regulatory credits	-	6,482,162	6,482,162	-
Related to OPEB	3,202,228	1,184,385	4,386,613	-
Related to pensions	316,776	88,827	405,603	-
Total deferred inflows of resources	3,519,004	7,755,374	11,274,378	-
Net position:				
Net investment in capital assets	59,745,644	5,421,217	65,166,861	-
Restricted for:				
General government	12,797	-	12,797	-
Public works	9,095,980	-	9,095,980	-
Culture and recreation	2,584,267	-	2,584,267	154,144
Public safety	2,203,981	-	2,203,981	-
Housing and development	1,278	-	1,278	-
Voter appropriation	3,000,000	-	3,000,000	-
Unrestricted	(17,560,643)	7,304,415	(10,256,228)	-
Total net position	\$ 59,083,304	\$ 12,725,632	\$ 71,808,936	\$ 154,144

See accompanying notes to financial statements.

**CITY OF ACWORTH, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

See accompanying notes to financial statements.

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position			Component Unit Acworth Tourism Bureau Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary Government								
Governmental activities:								
General government	\$ 6,384,036	\$ 364,364	\$ -	\$ 3,154,661	\$ (2,865,011)	\$ -	\$ (2,865,011)	
Public safety	8,076,685	570,190	146,300	623,243	(6,736,952)	-	(6,736,952)	
Public works	3,328,560	220,486	-	6,815,482	3,707,408	-	3,707,408	
Housing and development	1,356,367	379,096	-	-	(977,271)	-	(977,271)	
Judicial	541,641	791,719	-	-	250,078	-	250,078	
Culture and recreation	5,006,619	1,165,206	93,653	1,255,657	(2,492,103)	-	(2,492,103)	
Interest & fiscal charges on long-term debt	319,020	-	-	-	(319,020)	-	(319,020)	
Total governmental activities	<u>25,012,928</u>	<u>3,491,061</u>	<u>239,953</u>	<u>11,849,043</u>	<u>(9,432,871)</u>	<u>-</u>	<u>(9,432,871)</u>	
Business-type activities:								
Electric	16,332,310	15,388,481	-	27,966	-	(915,863)	(915,863)	
Sanitation	2,345,268	2,249,843	-	-	-	(95,425)	(95,425)	
Stormwater	319,888	-	-	-	-	(319,888)	(319,888)	
Total business-type activities	<u>18,997,466</u>	<u>17,638,324</u>	<u>-</u>	<u>27,966</u>	<u>-</u>	<u>(1,331,176)</u>	<u>(1,331,176)</u>	
Total Primary Government	<u>\$ 44,010,394</u>	<u>\$ 21,129,385</u>	<u>\$ 239,953</u>	<u>\$ 11,877,009</u>	<u>(9,432,871)</u>	<u>(1,331,176)</u>	<u>(10,764,047)</u>	
Component Unit:								
Acworth Tourism Bureau Authority	120,959	-	147,833	-				26,874
Component Unit	<u>\$ 120,959</u>	<u>\$ -</u>	<u>\$ 147,833</u>	<u>\$ -</u>				<u>\$ 26,874</u>
General Revenues:								
Property taxes					9,600,941	-	9,600,941	-
Insurance premium tax					1,826,012	-	1,826,012	-
Alcohol taxes					610,195	-	610,195	-
Hotel/motel tax					500,392	-	500,392	-
Franchise taxes					1,622,742	-	1,622,742	-
Financial institution tax					51,587	-	51,587	-
Business taxes					776,354	-	776,354	-
Contributions not restricted to a specific program					554,362	-	554,362	-
Operating grants not restricted to a specific program					516,715	-	516,715	-
Gain on sale of capital assets					105,462	2,400	107,862	-
Unrestricted investment earnings					222,514	208,939	431,453	-
Transfers					351,663	(351,663)	-	-
Total general revenues and transfers					<u>16,738,939</u>	<u>(140,324)</u>	<u>16,598,615</u>	<u>-</u>
Change in net position					<u>7,306,068</u>	<u>(1,471,500)</u>	<u>5,834,568</u>	<u>26,874</u>
Net position - beginning, before restatement					59,958,001	14,197,132	74,155,133	127,270
Restatement					(8,180,765)	-	(8,180,765)	-
Net position - beginning, after restatement					<u>51,777,236</u>	<u>14,197,132</u>	<u>65,974,368</u>	<u>127,270</u>
Net position - ending					<u>\$ 59,083,304</u>	<u>\$ 12,725,632</u>	<u>\$ 71,808,936</u>	<u>\$ 154,144</u>

CITY OF ACWORTH, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	General Fund	ARPA Grant	Capital Improvement	SPLOST	Non-Major Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 7,776,404	\$ -	\$ -	\$ -	\$ -	\$ 7,776,404
Investments	829,917	-	10,068	-	-	839,985
Receivables, net	81,790	-	-	-	16,082	97,872
Due from other governments	7,454	-	225,859	1,230,246	131,672	1,595,231
Due from other funds	91,159	5,022,874	2,453,129	-	54,207	7,621,369
Prepaid items	401,038	-	-	-	-	401,038
Due from component unit	42,789	-	-	-	-	42,789
Restricted assets	3,237,672	3,230	5,879,623	10,857,486	957,224	20,935,235
Total assets	\$ 12,468,223	\$ 5,026,104	\$ 8,568,679	\$ 12,087,732	\$ 1,159,185	\$ 39,309,923
Liabilities:						
Accounts payable	\$ 274,517	\$ -	\$ 766,981	\$ 794,182	\$ 31,638	\$ 1,867,318
Retainage payable	-	-	237,305	63,316	-	300,621
Accrued liabilities	167,163	-	-	-	2,057	169,220
Due to other governments	-	-	-	-	87,839	87,839
Due to other funds	2,774,888	-	5,022,874	-	17,937	7,815,699
Due to component unit	181,868	-	-	-	-	181,868
Unearned revenue	708,703	5,026,104	-	-	6,771	5,741,578
Total liabilities	4,107,139	5,026,104	6,027,160	857,498	146,242	16,164,143
Deferred inflows of resources:						
Unavailable revenue	59,843	-	-	-	-	59,843
Fund balances:						
Nonspendable	401,038	-	-	-	-	401,038
Restricted	3,048,547	-	-	11,230,234	975,163	15,253,944
Committed	-	-	256,568	-	-	256,568
Assigned	98,875	-	2,284,951	-	37,780	2,421,606
Unassigned	4,752,781	-	-	-	-	4,752,781
Total fund balances	8,301,241	-	2,541,519	11,230,234	1,012,943	23,085,937
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,468,223	\$ 5,026,104	\$ 8,568,679	\$ 12,087,732	\$ 1,159,185	

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.	69,683,766
Property tax revenue earned but unavailable is not reported in the funds.	59,843
Deferred outflows of resources are not an available resource and, therefore, are not reported in the funds.	
Related to pensions	2,671,757
Related to OPEB	3,819,888
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.	61,470
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	(13,003,763)
Deferred inflows of resources related to pensions	(316,776)
Deferred inflows of resources related to OPEB	(3,202,228)
Accrued compensated absences	(468,630)
Total OPEB liability	(17,772,012)
Net pension liability	(5,535,948)
Net position of governmental activities	\$ 59,083,304

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

	General Fund	ARPA Grant	Capital Improvement	SPLOST	Non-Major Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 14,796,021	\$ -	\$ -	\$ -	\$ 654,889	\$ 15,450,910
Licenses and permits	532,032	-	-	-	-	532,032
Intergovernmental	77,672	3,154,661	698,084	7,934,911	554,362	12,419,690
Charges for services	1,449,112	-	-	-	560,446	2,009,558
Fines and forfeitures	791,719	-	-	-	125,198	916,917
Investment earnings	197,062	-	366	61,387	25,086	283,901
Contributions and donations	78,336	-	-	-	-	78,336
Other	154,806	-	-	-	2,946	157,752
Total revenues	18,076,760	3,154,661	698,450	7,996,298	1,922,927	31,849,096
Expenditures:						
Current:						
General government	3,184,406	368,701	-	-	-	3,553,107
Public safety	6,049,855	-	-	-	583,633	6,633,488
Public works	920,208	-	-	-	-	920,208
Housing and development	1,076,541	-	-	-	162,151	1,238,692
Judicial	497,325	-	-	-	-	497,325
Culture and recreation	3,484,736	-	-	-	330,527	3,815,263
Capital outlay	-	-	5,181,512	5,112,689	-	10,294,201
Debt service	351,756	-	-	175,106	1,903,433	2,430,295
Total expenditures	15,564,827	368,701	5,181,512	5,287,795	2,979,744	29,382,579
Excess (deficiency) of revenues over (under) expenditures	2,511,933	2,785,960	(4,483,062)	2,708,503	(1,056,817)	2,466,517
Other financing sources (uses):						
Transfers in	383,073	-	4,505,376	-	1,546,125	6,434,574
Transfers out	(2,913,878)	(2,785,960)	-	-	(383,073)	(6,082,911)
Sale of capital assets	125,441	-	-	-	-	125,441
Total other financing sources (uses)	(2,405,364)	(2,785,960)	4,505,376	-	1,163,052	477,104
Net change in fund balance	106,569	-	22,314	2,708,503	106,235	2,943,621
Fund balance - beginning, before restatement	8,194,672	4,260,535	6,439,435	8,521,731	906,708	28,323,081
Restatement	-	(4,260,535)	(3,920,230)	-	-	(8,180,765)
Fund balance - beginning, after restatement	8,194,672	-	2,519,205	8,521,731	906,708	20,142,316
Fund balance - ending	\$ 8,301,241	\$ -	\$ 2,541,519	\$ 11,230,234	\$ 1,012,943	\$ 23,085,937

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, 2023

Net change in fund balances - total governmental funds \$ 2,943,621

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is 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	(4,890,120)	
Capital outlay	8,917,584	
Loss on disposal of assets	<u>(19,979)</u>	4,007,485

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.

Principal payments on debt	<u>2,111,275</u>	2,111,275
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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.		12,775
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The Insurance Internal Service Fund is used by management to charge the cost of insurance to individual funds.		(320,184)
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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	(274,962)	
Total OPEB liability and changes in related deferred inflows/outflows of resources	(1,088,193)	
Accrued compensated absences and early termination benefits	<u>(85,749)</u>	<u>(1,448,904)</u>

Change in net position of governmental activities		<u>\$ 7,306,068</u>
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**CITY OF ACWORTH, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Enterprise Funds				Internal Service Funds
	Major		Non-Major	Totals	
	Electrical Power	Sanitation	Storm Water		
Assets:					
Current assets:					
Cash	\$ 3,638,427	\$ 1,246,792	\$ -	\$ 4,885,219	\$ 95,655
Investments	5,474,110	-	-	5,474,110	-
Receivables, net					
Utility accounts	1,813,008	144,591	-	1,957,599	-
Other	-	-	-	-	515
Due from other funds	144,550	338,496	33,156	516,202	166,001
Inventory	813,129	-	-	813,129	-
Prepaid items	26,053	645	-	26,698	114,242
Restricted assets:					
Cash	1,347,831	-	-	1,347,831	-
Investments	8,495,459	-	-	8,495,459	-
Total current assets	<u>21,752,567</u>	<u>1,730,524</u>	<u>33,156</u>	<u>23,516,247</u>	<u>376,413</u>
Noncurrent assets:					
Property, plant and equipment, net	4,992,478	475,678	28,698	5,496,854	-
Total assets	<u>26,745,045</u>	<u>2,206,202</u>	<u>61,854</u>	<u>29,013,101</u>	<u>376,413</u>
Deferred outflows of resources:					
Related to pensions	389,302	189,863	41,051	620,216	128,968
Related to OPEB	889,563	523,272	-	1,412,835	-
Total deferred outflows of resources	<u>1,278,865</u>	<u>713,135</u>	<u>41,051</u>	<u>2,033,051</u>	<u>128,968</u>
Liabilities:					
Current liabilities:					
Accounts and claims payable	618,677	21,300	275	640,252	81,574
Accrued liabilities	22,398	10,162	2,429	34,989	8,690
Accrued compensated absences	63,907	24,842	4,539	93,288	21,496
Due to other funds	461,228	22,045	4,600	487,873	-
Total OPEB liability	25,500	15,000	-	40,500	-
Lease obligations	-	40,669	-	40,669	-
Customer deposits	1,087,742	323,278	-	1,411,020	-
Total current liabilities	<u>2,279,452</u>	<u>457,296</u>	<u>11,843</u>	<u>2,748,591</u>	<u>111,760</u>
Long-term liabilities (net of current portion):					
Accrued compensated absences	15,977	6,211	1,135	23,323	5,374
Total OPEB liability	4,113,188	2,419,522	-	6,532,710	-
Net pension liability	806,644	393,401	85,060	1,285,105	267,226
Lease obligations	-	34,968	-	34,968	-
Total long-term liabilities	<u>4,935,809</u>	<u>2,854,102</u>	<u>86,195</u>	<u>7,876,106</u>	<u>272,600</u>
Total liabilities	<u>7,215,261</u>	<u>3,311,398</u>	<u>98,038</u>	<u>10,624,697</u>	<u>384,360</u>
Deferred inflows of resources:					
Deferred regulatory credits	6,482,162	-	-	6,482,162	-
Related to pensions	46,158	22,511	4,867	73,536	15,291
Related to OPEB	745,724	438,661	-	1,184,385	-
Total deferred inflows of resources	<u>7,274,044</u>	<u>461,172</u>	<u>4,867</u>	<u>7,740,083</u>	<u>15,291</u>
Net Position:					
Net investment in capital assets	4,992,478	400,041	28,698	5,421,217	-
Unrestricted	8,542,127	(1,253,274)	(28,698)	7,260,155	105,730
Total net position	<u>\$ 13,534,605</u>	<u>\$ (853,233)</u>	<u>\$ -</u>	<u>12,681,372</u>	<u>\$ 105,730</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds				44,260	
Net position of business-type activities				<u>\$ 12,725,632</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, 2023

	Enterprise Funds				Internal Service Funds
	Major		Non-Major	Totals	
	Electrical Power	Sanitation	Storm Water		
Operating revenues:					
Charges for services	\$ 14,857,291	\$ 2,249,843	\$ -	\$ 17,107,134	\$ 4,324,598
Other	531,190	-	-	531,190	31,546
Total operating revenues	<u>15,388,481</u>	<u>2,249,843</u>	<u>-</u>	<u>17,638,324</u>	<u>4,356,144</u>
Operating expenses:					
Personal services	2,003,290	1,034,939	205,218	3,243,447	597,992
Operating	13,693,369	1,256,508	110,918	15,060,795	4,141,316
Depreciation	572,646	50,483	3,752	626,881	-
Total operating expenses	<u>16,269,305</u>	<u>2,341,930</u>	<u>319,888</u>	<u>18,931,123</u>	<u>4,739,308</u>
Operating income	<u>(880,824)</u>	<u>(92,087)</u>	<u>(319,888)</u>	<u>(1,292,799)</u>	<u>(383,164)</u>
Nonoperating revenues (expenses):					
Gain on disposal of capital assets	2,400	-	-	2,400	-
Investment earnings	208,939	-	-	208,939	-
Interest expense	(25)	(3,338)	-	(3,363)	-
Total nonoperating revenues (expenses)	<u>211,314</u>	<u>(3,338)</u>	<u>-</u>	<u>207,976</u>	<u>-</u>
Income before contributions and transfers	<u>(669,510)</u>	<u>(95,425)</u>	<u>(319,888)</u>	<u>(1,084,823)</u>	<u>(383,164)</u>
Capital contributions	27,966	-	-	27,966	-
Transfers in	-	-	319,888	319,888	-
Transfers out	<u>(671,551)</u>	<u>-</u>	<u>-</u>	<u>(671,551)</u>	<u>-</u>
Increase (decrease) in net position	<u>(1,313,095)</u>	<u>(95,425)</u>	<u>-</u>	<u>(1,408,520)</u>	<u>(383,164)</u>
Net position at beginning of year	<u>14,847,700</u>	<u>(757,808)</u>	<u>-</u>		<u>488,894</u>
Net position at end of year	<u>\$ 13,534,605</u>	<u>\$ (853,233)</u>	<u>\$ -</u>		<u>\$ 105,730</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(62,980)</u>	
Change in net position of business-type activities				<u>\$ (1,471,500)</u>	

See accompanying notes to financial statements.

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

	Enterprise Funds			Totals	Internal Service Funds
	Major		Non-Major		
	Electrical Power	Sanitation	Storm Water		
Cash flows from (to) operating activities:					
Cash received from contributions and services provided	\$ 15,614,180	\$ 2,303,391	\$ -	\$ 17,917,571	\$ 4,410,286
Cash payments for goods and services	(13,950,460)	(1,261,169)	(139,199)	(15,350,828)	(209,228)
Cash payments for benefits and claims	-	-	-	-	(3,693,930)
Cash payments for employee services and fringe benefits	(1,738,406)	(829,128)	(148,239)	(2,715,773)	(580,750)
Net cash from (to) operating activities	<u>(74,686)</u>	<u>213,094</u>	<u>(287,438)</u>	<u>(149,030)</u>	<u>(73,622)</u>
Cash flows from (to) noncapital financing activities:					
Transfers in	-	-	319,888	319,888	-
Transfers out	(671,551)	-	-	(671,551)	-
Net cash from (to) noncapital financing activities	<u>(671,551)</u>	<u>-</u>	<u>319,888</u>	<u>(351,663)</u>	<u>-</u>
Cash flows from (to) capital and related financing activities:					
Contributed capital	27,966	-	-	27,966	-
Proceeds from sale of capital assets	2,400	-	-	2,400	-
Interest paid	(25)	(3,338)	-	(3,363)	-
Payments for capital acquisitions	(314,250)	(184,918)	(32,450)	(531,618)	-
Principal payments on long-term obligations	(7,090)	(39,295)	-	(46,385)	-
Net cash from (to) capital and related financing activities	<u>(290,999)</u>	<u>(227,551)</u>	<u>(32,450)</u>	<u>(551,000)</u>	<u>-</u>
Cash flows from (to) investing activities:					
(Purchases) proceeds from sale of investments	74,999	-	-	74,999	-
Net cash from (to) investing activities	<u>74,999</u>	<u>-</u>	<u>-</u>	<u>74,999</u>	<u>-</u>
Net increase (decrease) in cash	<u>(962,237)</u>	<u>(14,457)</u>	<u>-</u>	<u>(976,694)</u>	<u>(73,622)</u>
Cash at beginning of year (including \$1,276,937 in restricted cash)	<u>5,948,495</u>	<u>1,261,249</u>	<u>-</u>	<u>7,209,744</u>	<u>169,277</u>
Cash at end of year (including \$1,347,831 in restricted cash)	<u>\$ 4,986,258</u>	<u>\$ 1,246,792</u>	<u>\$ -</u>	<u>\$ 6,233,050</u>	<u>\$ 95,655</u>

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, 2023

	Enterprise Funds			Totals	Internal Service Funds
	Major		Non-Major		
	Electrical Power	Sanitation	Storm Water		
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	\$ (880,824)	\$ (92,087)	\$(319,888)	\$ (1,292,799)	\$ (383,164)
Adjustments to reconcile operating income to net cash to operating activities:					
Depreciation	572,646	50,483	3,752	626,881	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	139,282	50,480	-	189,762	2,209
(Increase) decrease in due from other funds	51,333	(4,645)	(33,156)	13,532	51,933
(Increase) decrease in inventory	(3,661)	-	-	(3,661)	-
(Increase) decrease in prepaid items	579	(645)	-	(66)	245,355
(Increase) decrease in deferred outflows of resources	34,549	20,836	(41,051)	14,334	(43,551)
Increase (decrease) in accounts payable	(316,204)	(3,316)	275	(319,245)	(7,197)
Increase (decrease) in accrued liabilities	(44,145)	4,534	8,103	(31,508)	9,856
Increase (decrease) in due to other funds	10,862	3,945	4,600	19,407	-
Increase (decrease) in customer deposits	86,417	3,068	-	89,485	-
Increase (decrease) in total OPEB liability	(170,364)	(100,214)	-	(270,578)	-
Increase (decrease) in net pension liability	362,444	204,085	85,060	651,589	108,049
Increase (decrease) in deferred inflows of resources	82,400	76,570	4,867	163,837	(57,112)
Net cash from (to) operating activities	\$ (74,686)	\$ 213,094	\$(287,438)	\$ (149,030)	\$ (73,622)

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, 2023

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 Annual Comprehensive 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, 2023

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, 2023

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.

American Rescue Plan Act (ARPA) Grant Fund – The ARPA Grant Fund is used to account for the ARPA grant proceeds.

Capital Improvement Fund – The Capital Improvement Fund is used to account for financial resources that are restricted, committed or assigned for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Special Purpose Local Option Sales Tax (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.

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.

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.

Enterprise Funds - Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business.

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.

CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 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.

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, 2023

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.

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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 Power Fund	Sanitation Fund	Customer Service Fund	Governmental Activities
Buildings	10-20 years	-	-	5-40 years
Improvements other 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, 2023

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has 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 assets 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 use of resources by creditors, grantors, contributors, or laws or regulations of other

CITY OF ACWORTH, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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, deferred outflows of resources, liabilities, deferred inflows of resources, and 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.

O. Comparative Data/Reclassification

Comparative total data of the prior year has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain reclassifications have been made to the prior year columns to conform to the classifications used in the current year columns.

CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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, 2023, 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, 2023, 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	\$ 6,226,874	\$ -	\$ -	\$ -	\$ 6,226,874
Municipal Competitive Trust	not rated	2,827,301	6,854,418	414,715	1,721	10,098,155
Total		<u>\$ 9,054,175</u>	<u>\$ 6,854,418</u>	<u>\$ 414,715</u>	<u>\$ 1,721</u>	<u>\$ 16,325,029</u>

The above table of investments includes \$10,010,934 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
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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, 2023 are classified as follows:

	Fair Value Measurement Using			
	Level 1	Level 2	Level 3	
Municipal Competitive Trust	\$ 10,098,155	\$ 2,260,862	\$ 7,837,293	\$ -
	\$ 10,098,155	\$ 2,260,862	\$ 7,837,293	\$ -

3. RECEIVABLES

Receivables at June 30, 2023 consist of the following:

	Taxes and Fines	Accrued Interest	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 62,273	\$ 15,789	\$ -	\$ 16,084	\$ (12,356)	\$ 81,790
Nonmajor Governmental Funds	16,082	-	-	-	-	16,082
Electrical Power Fund	-	-	1,858,008	-	(45,000)	1,813,008
Sanitation Fund	-	-	149,591	-	(5,000)	144,591
Internal Service Funds	-	-	-	515	-	515
Total	\$ 78,355	\$ 15,789	\$ 2,007,599	\$ 16,599	\$ (62,356)	\$ 2,055,986

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4. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2023 consist of the following:

	Cobb County			Total
	Cobb County, GA	Tax Commissioner	Other	
General Fund	\$ -	\$ -	\$ 7,454	\$ 7,454
Nonmajor Governmental Funds	-	87,839	43,833	131,672
Capital Improvement Fund	-	-	225,859	225,859
SPLOST Fund	1,230,246	-	-	1,230,246
	<u>\$ 1,230,246</u>	<u>\$ 87,839</u>	<u>\$ 277,146</u>	<u>\$ 1,595,231</u>

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund loans receivable are considered “available spendable resources.” Such balances at June 30, 2023 include Due from (to) and Interfund receivable (payable) and are summarized as follows:

Receivable To	Payable From						Total
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Electrical Power Fund	Sanitation Fund	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ -	\$ 17,937	\$ 69,577	\$ 3,645	\$ -	\$ 91,159
ARPA Grant Fund	-	5,022,874	-	-	-	-	5,022,874
Capital Improvement Fund	2,453,129	-	-	-	-	-	2,453,129
Nonmajor Governmental Funds	54,207	-	-	-	-	-	54,207
Electrical Power Fund	144,550	-	-	-	-	-	144,550
Sanitation Fund	1,125	-	-	337,371	-	-	338,496
Nonmajor Enterprise Funds	33,156	-	-	-	-	-	33,156
Internal Service Funds	88,721	-	-	54,280	18,400	4,600	166,001
Total	<u>\$ 2,774,888</u>	<u>\$ 5,022,874</u>	<u>\$ 17,937</u>	<u>\$ 461,228</u>	<u>\$ 22,045</u>	<u>\$ 4,600</u>	<u>\$ 8,303,572</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:

CITY OF ACWORTH, GEORGIA
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TRANSFER OUT FROM	TRANSFER IN TO				Total
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 1,719,416	\$ 874,574	\$ 319,888	\$ 2,913,878
ARPA Grant Fund	-	2,785,960	-	-	2,785,960
Nonmajor Governmental Funds	383,073	-	-	-	383,073
Electrical Power Fund	-	-	671,551	-	671,551
Total	\$ 383,073	\$ 4,505,376	\$ 1,546,125	\$ 319,888	\$ 6,754,462

Transfers are used to 1) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, 2) move unrestricted power funds to the general fund to maintain debt service on a routine basis and use unrestricted revenues to finance various capital projects in accordance with budgetary authorizations.

6. RESTRICTED ASSETS

The City's restricted assets at June 30, 2023 are restricted for the following:

	Cash Equivalents	Investments	Total
Governmental Funds			
General Fund:			
Municipal court bonds	\$ 158,867	\$ -	\$ 158,867
Proceeds from sale of water & sewer system	3,000,000	-	3,000,000
Bail bond escrow	30,258	-	30,258
Other	48,547	-	48,547
	<u>3,237,672</u>	<u>-</u>	<u>3,237,672</u>
Capital Improvement Fund:			
Unspent grant proceeds	5,879,623	-	5,879,623
SPLOST Fund:			
Unspent SPLOST proceeds	10,032,835	824,651	10,857,486
ARPA Fund			
Unspent grant proceeds	3,230	-	3,230
Nonmajor governmental funds:			
Unspent TAD proceeds	1,500	-	1,500
Recreational impact fee	35,200	68,618	103,818
Soil erosion fee	-	13,483	13,483
Confiscated assets	229,700	608,723	838,423
	<u>266,400</u>	<u>690,824</u>	<u>957,224</u>
Total governmental funds	\$ 19,419,760	\$ 1,515,475	\$ 20,935,235
Proprietary Funds			
Power Fund:			
MEAG Power project	\$ -	\$ 8,495,459	\$ 8,495,459
Customer deposits	1,347,831	-	1,347,831
Total proprietary funds	\$ 1,347,831	\$ 8,495,459	\$ 9,843,290

CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

7. CAPITAL ASSETS

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

	Beginning Balance	Additions	Reclassifications/ Reductions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 8,394,740	\$ 710,322	\$ (492,260)	\$ 8,612,802
Construction in progress	1,752,449	4,313,325	(1,454,628)	4,611,146
Total capital assets not being depreciated	<u>10,147,189</u>	<u>5,023,647</u>	<u>(1,946,888)</u>	<u>13,223,948</u>
Capital assets, being depreciated:				
Buildings	26,670,385	-	(4,000)	26,666,385
Improvements other than buildings	17,003,452	985,219	(27,852)	17,960,819
Intangible assets	212,236	-	-	212,236
Vehicles and equipment	11,057,974	619,514	(450,035)	11,227,453
Infrastructure (streets)	79,638,856	4,236,092	(124,602)	83,750,346
Total capital assets being depreciated	<u>134,582,903</u>	<u>5,840,825</u>	<u>(606,489)</u>	<u>139,817,239</u>
Less accumulated depreciation for:				
Buildings	(8,392,375)	(887,777)	957	(9,279,195)
Improvements other than buildings	(9,352,780)	(844,914)	25,065	(10,172,629)
Intangible assets	(191,312)	(17,180)	-	(208,492)
Vehicles and equipment	(7,525,869)	(990,684)	449,731	(8,066,822)
Infrastructure (streets)	(53,591,475)	(2,149,565)	110,757	(55,630,283)
Total accumulated depreciation	<u>(79,053,811)</u>	<u>(4,890,120)</u>	<u>586,510</u>	<u>(83,357,421)</u>
Total capital assets being depreciated, net	<u>55,529,092</u>	<u>950,705</u>	<u>(19,979)</u>	<u>56,459,818</u>
Governmental activities capital assets, net	<u>\$ 65,676,281</u>	<u>\$ 5,974,352</u>	<u>\$ (1,966,867)</u>	<u>\$ 69,683,766</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 202,408	\$ -	\$ -	\$ 202,408
Total capital assets not being depreciated	<u>202,408</u>	<u>-</u>	<u>-</u>	<u>202,408</u>
Capital assets, being depreciated:				
Buildings	166,369	-	-	166,369
Improvements other than buildings	51,042	-	-	51,042
Electrical System	12,738,712	210,337	-	12,949,049
Vehicles and equipment	4,681,149	321,281	(1,477)	5,000,953
Total capital assets being depreciated	<u>17,637,272</u>	<u>531,618</u>	<u>(1,477)</u>	<u>18,167,413</u>
Less accumulated depreciation for:				
Buildings	(154,065)	(3,508)	-	(157,573)
Improvements other than buildings	(34,824)	(6,211)	-	(41,035)
Electrical System	(8,023,265)	(411,803)	-	(8,435,068)
Vehicles and equipment	(4,035,409)	(205,359)	1,477	(4,239,291)
Total accumulated depreciation	<u>(12,247,563)</u>	<u>(626,881)</u>	<u>1,477</u>	<u>(12,872,967)</u>
Total capital assets being depreciated, net	<u>5,389,709</u>	<u>(95,263)</u>	<u>-</u>	<u>5,294,446</u>
Business-type activities capital assets, net	<u>\$ 5,592,117</u>	<u>\$ (95,263)</u>	<u>\$ -</u>	<u>\$ 5,496,854</u>

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

Governmental Activities:	
General government	\$ 428,577
Public safety	730,273
Public works, including depreciation of general infrastructure	2,414,366
Housing and development	5,900
Judicial	10,824
Culture and recreation	1,300,180
Total depreciation expense - governmental activities	<u>\$ 4,890,120</u>
Business-type activities:	
Electric	\$ 572,646
Sanitation	50,483
Capital assets held by the government's internal services fund are charged to the various functions based on their usage of the assets	3,752
Total depreciation expense - business-type activities	<u>\$ 626,881</u>

8. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Debt:					
Revenue bonds	\$ 10,566,000	\$ -	\$ (1,161,000)	\$ 9,405,000	\$ 1,180,000
Installment sales agreement	2,035,223	-	(270,556)	1,764,667	277,022
Tax allocation district bonds	1,945,000	-	(470,000)	1,475,000	480,000
Financed purchase	568,815	-	(209,719)	359,096	183,991
Total Debt	<u>15,115,038</u>	<u>-</u>	<u>(2,111,275)</u>	<u>13,003,763</u>	<u>2,121,013</u>
Compensated absences	382,881	588,691	(502,942)	468,630	365,270
Governmental activities long-term liabilities	<u>\$ 15,497,919</u>	<u>\$ 588,691</u>	<u>\$ (2,614,217)</u>	<u>\$ 13,472,393</u>	<u>\$ 2,486,283</u>
Business-type activities:					
Financed purchase	\$ 122,022	\$ -	\$ (46,385)	\$ 75,637	\$ 40,669
Compensated absences	101,890	181,930	(140,339)	143,481	114,784
Business-type activities long-term liabilities	<u>\$ 223,912</u>	<u>\$ 181,930</u>	<u>\$ (186,724)</u>	<u>\$ 219,118</u>	<u>\$ 155,453</u>

For Governmental Activities, compensated absences, pension, and OPEB liabilities are typically liquidated in the General Fund.

**CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Activities:

A. Revenue Bonds (Direct Borrowing/Placements)

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.

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 lease debt is not included in the calculation of net investment in capital assets.

The debt service requirements on these bonds are as follows:

June 30,	Principal	Interest	Total
2024	\$ 615,000	\$ 67,935	\$ 682,935
2025	635,000	55,020	690,020
2026	645,000	41,685	686,685
2027	665,000	28,140	693,140
2028	675,000	14,174	689,174
Total	<u>\$ 3,235,000</u>	<u>\$ 206,954</u>	<u>\$ 3,441,954</u>

**CITY OF ACWORTH, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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.

The debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 565,000	\$ 138,825	\$ 703,825
2025	565,000	126,112	691,112
2026	580,000	113,400	693,400
2027	595,000	100,350	695,350
2028	605,000	86,963	691,963
2029-2031	3,260,000	121,275	3,381,275
Total	<u>\$ 6,170,000</u>	<u>\$ 686,925</u>	<u>\$ 6,856,925</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:

**CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Year Ending June 30,	Principal	Interest	Total
2024	\$ 277,022	\$ 38,865	\$ 315,887
2025	283,643	32,165	315,808
2026	290,422	25,305	315,727
2027	297,363	18,281	315,644
2028	304,470	11,089	315,559
2029	311,747	3,725	315,472
Total	<u>\$ 1,764,667</u>	<u>\$ 129,430</u>	<u>\$ 1,894,097</u>

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 \$513,434 and \$708,859 respectively.

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

Year Ending June 30,	Principal	Interest	Total
2024	\$ 480,000	\$ 31,370	\$ 511,370
2025	490,000	19,054	509,054
2026	505,000	6,416	511,416
Total	<u>\$ 1,475,000</u>	<u>\$ 56,840</u>	<u>\$ 1,531,840</u>

**CITY OF ACWORTH, GEORGIA
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D. Financed Purchase (Direct Borrowing/Placements)

The City is obligated under a financed purchase agreement covering equipment. Financed purchase debt service requirements to maturity for Governmental Activities are as follows:

Year Ending	Principal	Interest	Total
June 30,			
2024	\$ 183,991	\$ 63	\$ 184,054
2025	175,105	-	175,105
Total	<u>\$ 359,096</u>	<u>\$ 63</u>	<u>\$ 359,159</u>

The gross amount of Governmental Activities capital assets on the balance sheet recorded under financed purchase agreements is \$686,279 and the accumulated depreciation is \$191,086. This year \$121,160 was included in depreciation expense.

E. Legal Debt Margin

The City is subject to a debt limit that is 10% of its total assessed taxable property valuation. At June 30, 2023 that amount was \$116,650,275. As of June 30, 2022 the total outstanding debt applicable to the limit was \$11,169,667.

Business-type Activities:

A. Financed Purchase (Direct Borrowing/Placements)

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

Year Ending	Principal	Interest	Total
June 30,			
2024	\$ 40,669	\$ 1,967	\$ 42,636
2025	34,968	548	35,516
Total	<u>\$ 75,637</u>	<u>\$ 2,515</u>	<u>\$ 78,152</u>

The gross amount of Business-type Activities capital assets on the balance sheet recorded under financed purchase agreements is \$195,822 and the accumulated depreciation is \$128,652. This year \$39,164 was included in depreciation expense.

**CITY OF ACWORTH, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 \$11,505,798 from the Authority during the period ended June 30, 2023.

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 \$274,530 during the period ended June 30, 2023.

Encumbrances

Encumbrances outstanding as of June 30, 2023 are as follows:

SPLOST Fund	\$	2,013,356
Capital Improvement Fund		2,415,266
Total	\$	<u><u>4,428,622</u></u>

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.

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Assess 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, 2022 were \$1,065,436,976 and \$64,778,764 respectively.

Based on the 2022 digest millage levy of 8.95, a property tax owner would pay \$8.95 per \$1,000 of assessed valuation. Current tax collections of \$7,792,447 for the fiscal year ended June 30, 2023 were 99.30% of the levy.

11. FUND BALANCE

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

	General Fund	Capital Projects Fund	SPLOST Fund	Non-major Governmental Funds	Total
Nonspendable:					
Prepays	\$ 401,038	\$ -	\$ -	\$ -	\$ 401,038
Restricted for:					
Public safety	18,197	-	1,336,905	847,734	2,202,836
Culture and recreation	7,011	-	2,471,938	105,318	2,584,267
Housing and development	1,278	-	-	-	1,278
Public works	8,119	-	7,421,391	22,111	7,451,621
Judicial	1,145	-	-	-	1,145
General government	12,797	-	-	-	12,797
Voter appropriation	3,000,000	-	-	-	3,000,000
Committed for:					
Public works	-	56,943	-	-	56,943
General government	-	3,037	-	-	3,037
Culture and recreation	-	196,588	-	-	196,588
Assigned for:					
Capital projects	-	29,815	-	-	29,815
General government	-	993,036	-	-	993,036
Public safety	48	-	-	-	48
Culture and recreation	91,425	1,262,100	-	9,530	1,363,055
Housing and development	7,402	-	-	28,250	35,652
Unassigned	4,752,781	-	-	-	4,752,781
	<u>\$ 8,301,241</u>	<u>\$ 2,541,519</u>	<u>\$ 11,230,234</u>	<u>\$ 1,012,943</u>	<u>\$ 23,085,937</u>

**CITY OF ACWORTH, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 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. Amendments were adopted in July 2020, concerning benefit levels and vesting for elected officials. The amendment implements an eight year vesting schedule and requires employee contributions of 4% for elective officials taking office on or after January 1, 2021.

CITY OF ACWORTH, GEORGIA
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Employees covered by benefit terms - At January 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	62
Inactive employees entitled to but not yet receiving benefits	92
Active employees	147
Elected officials	6
Total	307

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, 2023, the actuarially determined rate was 9.26% of annual pay. The City’s contributions to the Plan totaled \$941,997 for the year ended June 30, 2023.

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

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

Inflation	2.25%
Salary increases	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 with rates multiplied by 1.25, as applicable.

The mortality and actuarial assumptions used in the January 1, 2023 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

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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 Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	6.80%
Real estate	10%	3.90%
Global fixed income	5%	0.46%
Domestic fixed income	20%	0.40%
Total	<u>100%</u>	

Discount rate - The discount rate used to measure the total pension liability was 7.375 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.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 9/30/2021	\$ 20,822,661	\$ 16,865,236	\$ 3,957,425
Changes for the year:			
Service cost	556,384	-	556,384
Interest	1,542,316	-	1,542,316
Differences between expected and actual experience	(540,804)	-	(540,804)
Contributions - employer	-	898,185	(898,185)
Contributions - employee	-	335,931	(335,931)
Net investment income	-	(2,764,961)	2,764,961
Benefit payments, including refunds of employee contributions	(932,577)	(932,577)	-
Administrative expense	-	(42,113)	42,113
Changes of assumptions	-	-	-
Net changes	<u>625,319</u>	<u>(2,505,535)</u>	<u>3,130,854</u>
Balances at 9/30/2022	<u>\$ 21,447,980</u>	<u>\$ 14,359,701</u>	<u>\$ 7,088,279</u>

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

	1% Decrease (6.375%)	Current Discount (7.375%)	1% Increase (8.375%)
Net pension liability	\$ 10,002,728	\$ 7,088,279	\$ 4,712,931

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 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, 2023, the City recognized pension expense of \$1,381,046. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 626,673	\$ (405,603)
Changes of assumptions	222,688	-
Net difference between projected and actual earnings on pension plan investments	1,865,082	-
Employer contributions to the pension plan subsequent to the measurement date of the net pension liability	706,498	-
Total	\$ 3,420,941	\$ (405,603)

\$706,498 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2024	\$ 788,570
2025	350,137
2026	366,465
2027	803,668
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.

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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.

Employees covered by benefit terms – At January 1, 2021, the following employees were covered by the benefit terms:

Inactive plan members of beneficiaries currently receiving benefit payments	11
Active plan members	<u>167</u>
 Total	 <u><u>178</u></u>

Total OPEB Liability - The City’s total OPEB liability was measured as of June 30, 2022 by an actuarial valuation as of that date.

Actuarial assumptions - The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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Inflation	2.25%
Salary increases	3.00% to 8.50% including inflation
Healthcare cost trend rates	6.00% for 2022, 27.5% for 2023 then 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, 2022 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 3.54%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of June 30, 2022.

Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at 6/30/2021	\$ 25,347,364
Changes for the year:	
Service cost	1,013,805
Interest	567,788
Change in benefit terms	-
Differences between expected and actual experience	(113,503)
Changes of assumptions	(2,320,061)
Contributions - employer	-
Net investment income	-
Benefit payments	(150,171)
Administrative expense	-
Net changes	<u>(1,002,142)</u>
Balances at 6/30/2022	<u>\$ 24,345,222</u>

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-

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percentage-point lower (2.54 percent) or 1-percentage point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 29,294,044	\$ 24,345,222	\$ 20,446,322

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 Trend Rates	1% Increase
Total OPEB liability	\$ 19,833,297	\$ 24,345,222	\$ 30,266,387

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$1,720,662. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 346,172	\$ (1,035,163)
Changes of assumptions	4,656,563	(3,351,450)
Employer contributions to the OPEB plan subsequent to the measurement date of the total OPEB liability	229,988	-
Total	\$ 5,232,723	\$ (4,386,613)

\$229,988 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, 2024. Other amounts reported as deferred

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

Year ended June 30,	
2024	\$ 139,065
2025	450,487
2026	586,002
2027	586,002
2028	(265,853)
Thereafter	(879,581)

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, 2023, there were 207 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 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

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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, 2023 was \$48,053. The City made total contributions during the year of \$226,785. The participants made contributions during the year totaling \$271,785. 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. 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.

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- 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 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

CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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.

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.

**CITY OF ACWORTH, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

17. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had expenditures in excess of appropriations for the fiscal year June 30, 2023:

	Budget	Actual	Variance with Final Budget
ARPA Grant Fund			
General government	-	368,701	(368,701)

18. RESTATEMENT

During 2023, the City determined grant revenues had incorrectly been recognized as revenue and transfers of grant revenues had incorrectly been recorded. The table below summarizes the effect of the restatement to beginning net position and fund balance.

	Governmental Activities	ARPA Grant Fund	Capital Improvement
Beginning Net Position/Fund Balance before Restatement	\$ 59,958,001	\$ 4,260,535	\$ 6,439,435
Restatement	(8,180,765)	(4,260,535)	(3,920,230)
Beginning Net Position/Fund Balance after Restatement	\$ 51,777,236	\$ -	\$ 2,519,205

The table below summarizes the effect of the restatement to previously reported changes in net position and changes in fund balances.

	Governmental Activities	ARPA Grant Fund	Capital Improvement
Change in Net Position/Fund Balance before Restatement	\$ 11,420,564	\$ 4,260,535	\$ 3,880,790
Restatement	(8,180,765)	(4,260,535)	(3,920,230)
Change in Net Position/Fund Balance after Restatement	\$ 3,239,799	\$ -	\$ (39,440)

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 556,384	\$ 530,780	\$ 484,294	\$ 437,364	\$ 402,865	\$ 379,852	\$ 364,831	\$ 292,812	\$ 281,368
Interest	1,542,316	1,405,086	1,274,523	1,085,463	976,492	807,823	745,988	672,423	616,661
Differences between expected and actual experience	(540,804)	714,170	195,163	600,526	434,513	142,465	(3,829)	278,675	102,420
Changes of assumptions	-	-	377,166	1,113,438	-	196,116	-	-	(9,772)
Changes of benefit terms	-	-	-	-	-	1,001,149	-	-	-
Benefit payments, including refunds of employee contributions	(932,577)	(697,215)	(517,354)	(432,446)	(358,384)	(309,431)	(308,809)	(280,555)	(261,769)
Net change in total pension liability	625,319	1,952,821	1,813,792	2,804,345	1,455,486	2,217,974	798,181	963,355	728,908
Total pension liability - beginning	20,822,661	18,869,840	17,056,048	14,251,703	12,796,217	10,578,243	9,780,062	8,816,707	8,087,799
Total pension liability - ending (a)	\$ 21,447,980	\$ 20,822,661	\$ 18,869,840	\$ 17,056,048	\$ 14,251,703	\$ 12,796,217	\$ 10,578,243	\$ 9,780,062	\$ 8,816,707
Plan fiduciary net position									
Contributions - employer	\$ 898,185	\$ 827,871	\$ 674,588	\$ 596,241	\$ 534,171	\$ 423,979	\$ 406,534	\$ 434,039	\$ 369,318
Contributions - employee	335,931	339,959	332,560	312,418	281,419	248,431	193,653	164,243	146,390
Net investment income	(2,764,961)	3,215,055	1,150,461	350,717	954,892	1,218,198	780,159	62,237	648,207
Benefit payments including refunds of employee contributions	(932,577)	(697,215)	(517,354)	(432,446)	(358,384)	(309,431)	(308,809)	(280,555)	(261,769)
Administrative expense	(42,113)	(41,414)	(41,211)	(38,243)	(40,235)	(42,337)	(23,770)	(25,428)	(20,118)
Net change in plan fiduciary net position	(2,505,535)	3,644,256	1,599,044	788,687	1,371,863	1,538,840	1,047,767	354,536	882,028
Plan fiduciary net position - beginning	16,865,236	13,220,980	11,621,936	10,833,249	9,461,386	7,922,546	6,874,779	6,520,243	5,638,215
Plan fiduciary net position - ending (b)	\$ 14,359,701	\$ 16,865,236	\$ 13,220,980	\$ 11,621,936	\$ 10,833,249	\$ 9,461,386	\$ 7,922,546	\$ 6,874,779	\$ 6,520,243
Net pension liability - ending (a) - (b)	\$ 7,088,279	\$ 3,957,425	\$ 5,648,860	\$ 5,434,112	\$ 3,418,454	\$ 3,334,831	\$ 2,655,697	\$ 2,905,283	\$ 2,296,464
Plan fiduciary net position as a percentage of the total pension liability	66.95%	80.99%	70.06%	68.14%	76.01%	73.94%	74.89%	70.29%	73.95%
Covered payroll	\$ 8,523,119	\$ 8,892,008	\$ 8,754,584	\$ 8,224,751	\$ 8,018,235	\$ 7,363,065	\$ 7,264,396	\$ 6,891,178	\$ 5,949,453
Net pension liability as a percentage of covered payroll	83.17%	44.51%	64.52%	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>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<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	\$ 941,997	\$ 883,581	\$ 792,109	\$ 635,779	\$ 583,845	\$ 466,903	\$ 465,298	\$ 396,393	\$ 394,148
Contributions in relation to the actuarially determined contribution	941,997	883,581	792,109	635,779	583,845	466,903	465,298	396,393	433,563
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (39,415)</u>							
Covered payroll	\$9,844,243	\$9,647,628	\$9,271,176	\$9,119,107	\$8,801,412	\$8,023,610	\$7,881,656	\$7,383,239	\$6,681,136
Contributions as a percentage of covered payroll	9.57%	9.16%	8.54%	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

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 1,013,805	\$ 1,281,947	\$ 983,461	\$ 696,396	\$ 747,507	\$ 954,101
Interest	567,788	596,218	788,309	528,196	481,856	413,784
Changes of benefit terms	-	-	-	602,656	-	-
Differences between expected and actual experience	(113,503)	(988,841)	(76,250)	692,342	(474,028)	(77,885)
Changes of assumptions	(2,320,061)	(1,180,674)	2,552,507	6,122,495	(474,584)	(2,102,074)
Benefit payments	(150,171)	(114,476)	(68,416)	(41,170)	(40,479)	(40,336)
Net change in total OPEB liability	(1,002,142)	(405,826)	4,179,611	8,600,915	240,272	(852,410)
Total OPEB liability - beginning	25,347,364	25,753,190	21,573,579	12,972,664	12,732,392	13,584,802
Total OPEB liability - ending (a)	\$ 24,345,222	\$ 25,347,364	\$ 25,753,190	\$ 21,573,579	\$ 12,972,664	\$ 12,732,392
Covered employee payroll	\$ 9,647,628	\$ 9,271,176	\$ 9,119,107	\$ 8,801,412	\$ 8,023,610	\$ 7,881,656
Total OPEB liability as a percentage of covered employee payroll	252.34%	273.40%	282.41%	245.11%	161.68%	161.54%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits for the pension/OPEB plan.

2018 was the first fiscal year that data has been measured in accordance with GASB Statement 75. Schedule will show additional years as they become available.

**CITY OF ACWORTH
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 13,800,785	\$ 14,792,378	\$ 14,796,021	\$ 3,643
Licenses and Permits	425,200	532,045	532,032	(13)
Intergovernmental	64,000	77,690	77,672	(18)
Charges for Services	1,450,566	1,449,036	1,449,112	76
Fines and Forfeitures	860,000	791,725	791,719	(6)
Investment Earnings	76,000	197,075	197,062	(13)
Contributions and Donations	112,000	78,340	78,336	(4)
Other	47,180	154,811	154,806	(5)
Total Revenues	16,835,731	18,073,100	18,076,760	3,660
Expenditures:				
General Government				
Board of Aldermen	350,075	303,575	303,515	60
Administration - City Manager's Office	873,205	877,634	872,735	4,899
Elections	220	150	150	-
Financial Administration	630,646	626,889	626,840	49
Attorney/Legal Services	130,550	103,415	99,513	3,902
Information Systems	633,089	584,425	584,378	47
Human Resources	297,445	311,042	311,007	35
Insurance/Risk Management	350,000	346,275	346,274	1
External Auditors	42,300	39,322	39,322	-
General Government Building Maintenance	414,656	360,263	360,235	28
Government Bldg - City Hall	102,752	75,237	75,219	18
Government Bldg - 4400 Acworth Ind Dr	138,512	106,242	106,215	27
Government Bldg - 4406/4440 Acworth Ind I	81,950	93,055	93,021	34
Government Bldg - Other City Property	30,550	48,881	48,865	16
Government Bldg - Old Jail	1,707	1,488	1,487	1
General Administration Fees	11,000	11,070	11,069	1
Judicial				
Municipal Court	463,012	497,388	497,325	63
Public Safety				
Police	6,158,230	6,024,349	6,003,429	20,920
Police Explorers	6,100	28,134	28,134	-
Jail	66,640	18,795	18,292	503
Public Works				
Public Works Administration	339,880	321,740	321,683	57
Highways and Streets	813,854	671,653	668,827	2,826
Right of Way Mowing	109,000	90,000	90,000	-
Fleet Maintenance	190,519	176,306	176,229	77
Cemetery	26,903	24,014	24,012	2
Health and Welfare				
Mosquito Control	500	-	-	-

**CITY OF ACWORTH
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Culture and Recreation				
Recreation	2,390,367	2,294,187	2,285,004	9,183
Athletics	117,181	86,392	86,353	39
Acworth Achievers/Expanding Horizons	61,000	43,127	43,124	3
Roberts School Recreation Ctr.	37,986	26,451	26,433	18
Rosenwald School Community Center	7,652	12,537	12,514	23
Community Center	155,099	163,959	163,906	53
Neighborhood Playgrounds	3,620	2,297	2,296	1
Southshore Park and Beach	31,492	34,652	34,643	9
Dallas Landing Beach and park	47,250	40,715	40,680	35
Proctor Landing Beach and Park	45,350	39,879	39,845	34
Acworth Sports Complex	113,750	118,130	118,112	18
Bobby Van Newberry Park	11,910	10,720	10,707	13
Cauble Park Facilities	90,683	105,349	105,318	31
Logan Farm Park Facilities	95,250	143,654	143,489	165
Summer Camp Operations	246,816	227,386	227,363	23
Special Events Activities	109,230	94,501	94,497	4
Senior Citizen Luncheon/Programs	55,940	23,270	23,263	7
Parks	24,500	21,025	21,013	12
Tree Commission	1,500	6,176	6,176	-
Housing and Development				
Protective Building Inspection	450,499	356,892	354,190	2,702
Planning and Zoning	154,380	126,303	121,098	5,205
Code Compliance	78,446	71,882	71,827	55
GIS	225,101	192,669	191,755	914
Historic Preservation	1,050	857	856	1
Economic Development	146,665	162,531	141,389	21,142
TAD (Disbursement Funds)	286,471	195,427	195,426	1
Debt Service	351,752	351,757	351,756	1
Total Expenditures	<u>17,604,235</u>	<u>16,694,067</u>	<u>16,620,809</u>	<u>73,258</u>
Excess (deficiency) of Revenues over Expenditures	<u>(768,504)</u>	<u>1,379,033</u>	<u>1,455,951</u>	<u>76,918</u>
Other Financing Sources (uses):				
Transfers in	2,093,859	1,439,061	1,439,055	(6)
Transfers out	(1,248,079)	(2,946,630)	(2,913,878)	32,752
Sale of capital assets	55,954	125,442	125,441	(1)
Total Other Financing Sources (uses)	<u>901,734</u>	<u>(1,382,127)</u>	<u>(1,349,382)</u>	<u>32,745</u>
Net Change in Fund Balance	<u>\$ 133,230</u>	<u>\$ (3,094)</u>	<u>106,569</u>	<u>\$ 109,663</u>
Fund Balance at Beginning of Year - GAAP Basis			<u>8,194,672</u>	
Fund Balance at End of Year - GAAP Basis			<u>\$ 8,301,241</u>	

**CITY OF ACWORTH, GEORGIA
 ARPA GRANT FUND
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 3,154,661	3,154,661
Total revenues	<u>-</u>	<u>-</u>	<u>3,154,661</u>	<u>3,154,661</u>
Expenditures:				
Current:				
General government	-	-	368,701	(368,701)
Total expenditures	<u>-</u>	<u>-</u>	<u>368,701</u>	<u>(368,701)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>2,785,960</u>	<u>2,785,960</u>
Other financing sources (uses):				
Transfers out	-	-	(2,785,960)	(2,785,960)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,785,960)</u>	<u>(2,785,960)</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year			<u>-</u>	
Fund balance at end of year			<u><u>\$ -</u></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 for fiscal years ending in 2023 and later 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 rates under the 2019 OASDI Trustees Report used for the intermediate alternative. 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%.

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

- 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 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 in 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, 2023 reflect the following assumption changes based on an actuarial experience study for the period January 2015 to June 30, 2019:

- The discount rate effective June 30, 2022, 2021, and 2020 is 3.54%, 2.16%, and 2.21%, respectively.
- Congress repealed the excise tax regulation in December 2019.

2. Methods and Assumptions to Determine Pension Contribution Rates

Valuation date – The actuarially determined contribution rate for fiscal year 2023 was determined as of January 1, 2022, 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 – 2.25% plus service based merit increases

Investment rate of return – 7.375%

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

Retirement Age – 65

Mortality – Sex-distinct Pri-2012 head-count weighted Mortality Table.

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. In the General Fund, indirect cost allocations are budgeted as transfers. An annual budget was not adopted for the ARPA Grant fund.

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.
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.

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

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.

CITY OF ACWORTH, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	Special Revenue Funds								
	Hotel/Motel Tax	Recreational Impact Fee	Confiscated Assets	Soil Erosion Fees	Emergency Telephone System	Acworth Lake Authority	Acworth Downtown Development Authority	Debt Service	Total Nonmajor
Assets:									
Receivables	\$ -	\$ -	\$ 16,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,082
Due from other governments	43,833	-	-	-	87,839	-	-	-	131,672
Due from other funds	-	1,500	-	8,628	-	13,753	30,326	-	54,207
Restricted assets:									
Cash	-	35,200	229,700	-	-	-	-	1,500	266,400
Investments	-	68,618	608,723	13,483	-	-	-	-	690,824
Total assets	\$ 43,833	\$ 105,318	\$ 854,505	\$ 22,111	\$ 87,839	\$ 13,753	\$ 30,326	\$ 1,500	\$ 1,159,185
Liabilities:									
Accounts payable	\$ 27,396	\$ -	\$ -	\$ -	\$ -	\$ 4,223	\$ 19	\$ -	\$ 31,638
Accrued liabilities	-	-	-	-	-	-	2,057	-	2,057
Due to other funds	16,437	-	-	-	-	-	-	1,500	17,937
Due to other governments	-	-	-	-	87,839	-	-	-	87,839
Unearned revenue	-	-	6,771	-	-	-	-	-	6,771
Total liabilities	43,833	-	6,771	-	87,839	4,223	2,076	1,500	146,242
Fund balances:									
Restricted	-	105,318	847,734	22,111	-	-	-	-	975,163
Assigned	-	-	-	-	-	9,530	28,250	-	37,780
Total fund balances	-	105,318	847,734	22,111	-	9,530	28,250	-	1,012,943
Total liabilities and fund balances	\$ 43,833	\$ 105,318	\$ 854,505	\$ 22,111	\$ 87,839	\$ 13,753	\$ 30,326	\$ 1,500	\$ 1,159,185

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, 2023

	Special Revenue Funds								
	Hotel/Motel Tax	Recreational Impact Fee	Confiscated Assets	Soil Erosion Fees	Emergency Telephone System	Acworth Lake Authority	Acworth Downtown Development Authority	Debt Service	Total Nonmajor
Revenues:									
Taxes	\$ 500,392	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,497	\$ 654,889
Intergovernmental	-	-	-	-	-	-	-	554,362	554,362
Charges for services	-	15,500	-	1,557	543,389	-	-	-	560,446
Fines and forfeitures	-	-	125,198	-	-	-	-	-	125,198
Investment earnings	-	2,485	22,112	489	-	-	-	-	25,086
Other	-	-	-	-	-	-	2,946	-	2,946
Total revenues	500,392	17,985	147,310	2,046	543,389	-	2,946	708,859	1,922,927
Expenditures:									
Current:									
Public safety	-	-	40,244	-	543,389	-	-	-	583,633
Housing and development	-	-	-	-	-	-	162,151	-	162,151
Culture and recreation	312,745	1,800	-	-	-	12,482	3,500	-	330,527
Debt service	-	-	-	-	-	-	1,389,999	513,434	1,903,433
Total expenditures	312,745	1,800	40,244	-	543,389	12,482	1,555,650	513,434	2,979,744
Excess (deficiency) of revenues over (under) expenditures	187,647	16,185	107,066	2,046	-	(12,482)	(1,552,704)	195,425	(1,056,817)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	10,000	1,536,124	1	1,546,125
Transfers out	(187,647)	-	-	-	-	-	-	(195,426)	(383,073)
Total other financing sources (uses)	(187,647)	-	-	-	-	10,000	1,536,124	(195,425)	1,163,052
Net change in fund balance	-	16,185	107,066	2,046	-	(2,482)	(16,580)	-	106,235
Fund balance at beginning of year	-	89,133	740,668	20,065	-	12,012	44,830	-	906,708
Fund balance at end of year	\$ -	\$ 105,318	\$ 847,734	\$ 22,111	\$ -	\$ 9,530	\$ 28,250	\$ -	\$ 1,012,943

**CITY OF ACWORTH, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Cash	\$ 7,776,404	\$ 7,733,925
Investments	829,917	799,771
Receivables (net of allowance for estimated uncollectibles):		
Taxes	49,917	39,561
Interest	15,789	16,573
Other	16,084	7,186
Due from other governments	7,454	14,594
Due from other funds	91,159	102,061
Due from component unit	42,789	-
Prepaid items	401,038	344,686
Restricted assets:		
Cash	3,237,672	3,258,552
Total assets	\$ 12,468,223	\$ 12,316,909
Liabilities:		
Accounts payable	\$ 274,517	\$ 262,880
Accrued liabilities	167,163	135,943
Due to other funds	2,774,888	2,941,500
Due to component unit	181,868	104,017
Unearned revenue	708,703	630,829
Total liabilities	4,107,139	4,075,169
Deferred inflows of resources:		
Unavailable revenue - property taxes	59,843	47,068
Fund balances:		
Nonspendable	401,038	344,686
Restricted	3,048,547	3,034,012
Committed	-	408
Assigned	98,875	97,918
Unassigned	4,752,781	4,717,648
Total fund balance	8,301,241	8,194,672
Total liabilities, deferred inflows of resources, and fund balances	\$ 12,468,223	\$ 12,316,909

CITY OF ACWORTH, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Revenues:		
Taxes	\$ 14,796,021	\$ 14,053,412
Licenses and permits	532,032	472,179
Intergovernmental	77,672	101,128
Charges for services	1,449,112	1,541,770
Fines and forfeitures	791,719	926,388
Investment earnings	197,062	107,065
Contributions and donations	78,336	63,674
Other	154,806	82,936
Total revenues	18,076,760	17,348,552
Expenditures:		
Current:		
General government	3,184,406	2,843,291
Public safety	6,049,855	6,570,550
Public works	920,208	1,209,135
Housing and development	1,076,541	1,127,983
Judicial	497,325	410,178
Culture and recreation	3,484,736	3,129,623
Debt service	351,756	351,832
Total expenditures	15,564,827	15,642,592
Excess (deficiency) of revenues over (under) expenditures	2,511,933	1,705,960
Other financing sources (uses):		
Transfers in	383,073	386,904
Transfers out	(2,913,878)	(2,176,286)
Sale of capital assets	125,441	162,631
Total other financing sources (uses)	(2,405,364)	(1,626,751)
Net change in fund balance	106,569	79,209
Fund balance at beginning of year	8,194,672	8,115,463
Fund balance at end of year	\$ 8,301,241	\$ 8,194,672

**CITY OF ACWORTH, GEORGIA
 ARPA GRANT FUND
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2023 AND 2022**

	2023	2022 (As Restated)
Assets:		
Due from other funds	\$ 5,022,874	\$ 3,920,230
Restricted assets:		
Cash	3,230	-
Total assets	\$ 5,026,104	\$ 3,920,230
Liabilities:		
Unearned revenue	\$ 5,026,104	\$ 3,920,230
Total liabilities	\$ 5,026,104	\$ 3,920,230

CITY OF ACWORTH, GEORGIA
ARPA GRANT FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022 (As Restated)
Revenues:		
Intergovernmental	\$ 3,154,661	\$ 340,305
Total revenues	<u>3,154,661</u>	<u>340,305</u>
Expenditures:		
Current:		
General government	368,701	335,868
Total expenditures	<u>368,701</u>	<u>335,868</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,785,960</u>	<u>4,437</u>
Other financing sources (uses):		
Transfers out	(2,785,960)	(4,437)
Total other financing sources (uses)	<u>(2,785,960)</u>	<u>(4,437)</u>
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>

**CITY OF ACWORTH, GEORGIA
HOTEL/MOTEL TAX
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other governments	\$ 43,833	\$ 46,011
Total assets	\$ 43,833	\$ 46,011
Liabilities:		
Accounts payable	\$ 27,396	\$ 28,757
Due to other funds	16,437	17,254
Total liabilities	\$ 43,833	\$ 46,011

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, 2023 AND 2022

	2023	2022
Revenues:		
Taxes	\$ 500,392	\$ 459,656
Expenditures:		
Current:		
Culture and recreation	312,745	287,285
Excess (deficiency) of revenues over (under) expenditures	187,647	172,371
Other financing sources (uses):		
Transfers out	(187,647)	(172,371)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	\$ -	\$ -

**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, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 500,392	\$ 500,392	\$ -
Expenditures:			
Current:			
Culture and recreation	312,745	312,745	-
Excess (deficiency) of revenues over (under) expenditures	<u>187,647</u>	<u>187,647</u>	<u>-</u>
Other financing sources (uses):			
Transfers out	<u>(187,647)</u>	<u>(187,647)</u>	<u>-</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>-</u>	
Fund balance at end of year		<u><u>\$ -</u></u>	

**CITY OF ACWORTH, GEORGIA
RECREATIONAL IMPACT FEE
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other funds	\$ 1,500	\$ 4,500
Restricted assets:		
Cash	35,200	29,000
Investments	68,618	55,633
Total assets	\$ 105,318	\$ 89,133
Fund balance:		
Restricted	\$ 105,318	\$ 89,133
Total fund balance	\$ 105,318	\$ 89,133

**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, 2023 AND 2022**

	2023	2022
Revenues:		
Charges for services	\$ 15,500	\$ 36,500
Investment earnings	2,485	110
	17,985	36,610
Total revenues		
Expenditures:		
Current:		
Culture and recreation	1,800	-
	16,185	36,610
Excess (deficiency) of revenues over (under) expenditures		
	16,185	36,610
Net change in fund balance		
	89,133	52,523
Fund balance at beginning of year		
	\$ 105,318	\$ 89,133

**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, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 15,500	\$ 15,500	\$ -
Investment earnings	<u>2,485</u>	<u>2,485</u>	<u>-</u>
Total revenues	<u>17,985</u>	<u>17,985</u>	<u>-</u>
Expenditures:			
Current:			
Culture and recreation	<u>1,800</u>	<u>1,800</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,185</u>	<u>16,185</u>	<u>-</u>
Net change in fund balance	<u><u>\$ 16,185</u></u>	<u>16,185</u>	<u><u>\$ -</u></u>
Fund balance at beginning of year		<u>89,133</u>	
Fund balance at end of year		<u><u>\$ 105,318</u></u>	

**CITY OF ACWORTH, GEORGIA
CONFISCATED ASSETS
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Taxes and fines receivable	\$ 16,082	\$ 61,269
Restricted assets:		
Cash	229,700	99,559
Investments	608,723	586,611
Total assets	\$ 854,505	\$ 747,439
Liabilities:		
Unearned revenue	\$ 6,771	\$ 6,771
Total liabilities	6,771	6,771
Fund balance:		
Restricted	847,734	740,668
Total fund balance	847,734	740,668
Total liabilities and fund balances	\$ 854,505	\$ 747,439

**CITY OF ACWORTH, GEORGIA
CONFISCATED ASSETS
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
Revenues:		
Fines and forfeitures	\$ 125,198	\$ 74,365
Investment earnings	22,112	1,317
Total revenues	147,310	75,682
Expenditures:		
Current:		
Public safety	40,244	19,910
Excess (deficiency) of revenues over (under) expenditures	107,066	55,772
Net change in fund balance	107,066	55,772
Fund balance at beginning of year	740,668	684,896
Fund balance at end of year	\$ 847,734	\$ 740,668

**CITY OF ACWORTH, GEORGIA
CONFISCATED ASSETS
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 125,199	\$ 125,198	\$ (1)
Investment earnings	<u>22,112</u>	<u>22,112</u>	<u>-</u>
Total revenues	<u>147,311</u>	<u>147,310</u>	<u>(1)</u>
Expenditures:			
Current:			
Public safety	<u>40,250</u>	<u>40,244</u>	<u>6</u>
Excess (deficiency) of revenues over (under) expenditures	<u>107,061</u>	<u>107,066</u>	<u>5</u>
Net change in fund balance	<u><u>\$ 107,061</u></u>	<u>107,066</u>	<u><u>\$ 5</u></u>
Fund balance at beginning of year		<u>740,668</u>	
Fund balance at end of year		<u><u>\$ 847,734</u></u>	

**CITY OF ACWORTH, GEORGIA
SOIL EROSION FEES
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other funds	\$ 8,628	\$ 7,228
Restricted assets:		
Investments	13,483	12,837
Total assets	\$ 22,111	\$ 20,065
Fund balance:		
Restricted	22,111	20,065
Total fund balance	22,111	20,065
Total fund balance	\$ 22,111	\$ 20,065

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, 2023 AND 2022

	2023	2022
Revenues:		
Charges for services	\$ 1,557	\$ 5,988
Investment earnings	489	29
	2,046	6,017
Total revenues	2,046	6,017
Net change in fund balance	2,046	6,017
Fund balance at beginning of year	20,065	14,048
Fund balance at end of year	\$ 22,111	\$ 20,065

**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, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues:			
Charges for services	\$ 1,558	\$ 1,557	\$ (1)
Investment earnings	<u>489</u>	<u>489</u>	<u>-</u>
Total revenues	<u>2,047</u>	<u>2,046</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,047</u>	<u>2,046</u>	<u>(1)</u>
Net change in fund balance	<u>\$ 2,047</u>	2,046	<u>\$ (1)</u>
Fund balance at beginning of year		<u>20,065</u>	
Fund balance at end of year		<u>\$ 22,111</u>	

**CITY OF ACWORTH, GEORGIA
EMERGENCY TELEPHONE SYSTEM
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other governments	\$ 87,839	\$ 73,676
Total assets	\$ 87,839	\$ 73,676
Liabilities:		
Due to other governments	\$ 87,839	\$ 73,676
Total liabilities	\$ 87,839	\$ 73,676

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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Revenues:		
Charges for services	\$ 543,389	\$ 494,150
Total revenues	<u>543,389</u>	<u>494,150</u>
Expenditures:		
Current:		
Public safety	543,389	494,150
Total expenditures	<u>543,389</u>	<u>494,150</u>
Net change in fund balance	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**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, 2023**

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues:			
Charges for services	\$ 543,390	\$ 543,389	\$ (1)
Total revenues	<u>543,390</u>	<u>543,389</u>	<u>(1)</u>
Expenditures:			
Current:			
Public safety	543,390	543,389	1
Total expenditures	<u>543,390</u>	<u>543,389</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance at beginning of year		<u>-</u>	
Fund balance at end of year		<u>\$ -</u>	

**CITY OF ACWORTH, GEORGIA
ACWORTH LAKE AUTHORITY
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other funds	\$ 13,753	\$ 12,012
Total assets	\$ 13,753	\$ 12,012
Liabilities:		
Accounts payable	\$ 4,223	\$ -
Total liabilities	4,223	-
Fund balance:		
Assigned	9,530	12,012
Total fund balance	9,530	12,012
Total liabilities and fund balance	\$ 13,753	\$ 12,012

**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, 2023 AND 2022**

	2023	2022
Revenues:		
Intergovernmental	\$ -	\$ -
Expenditures:		
Current:		
Culture and recreation	12,482	12,786
Total expenditures	12,482	12,786
Excess (deficiency) of revenues over (under) expenditures	(12,482)	(12,786)
Other financing sources (uses):		
Transfers in	10,000	10,000
Total other financing sources (uses)	10,000	10,000
Net change in fund balance	(2,482)	(2,786)
Fund balance at beginning of year	12,012	14,798
Fund balance at end of year	\$ 9,530	\$ 12,012

**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, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Expenditures:			
Current:			
Culture and recreation	<u>\$ 12,843</u>	<u>\$ 12,482</u>	<u>\$ 361</u>
Total expenditures	<u>12,843</u>	<u>12,482</u>	<u>361</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,843)</u>	<u>(12,482)</u>	<u>361</u>
Other financing sources (uses):			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (2,843)</u></u>	<u>(2,482)</u>	<u><u>\$ 361</u></u>
Fund balance at beginning of year		<u>12,012</u>	
Fund balance at end of year		<u><u>\$ 9,530</u></u>	

**CITY OF ACWORTH, GEORGIA
ACWORTH DOWNTOWN DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Due from other funds	\$ 30,326	\$ 47,161
Total assets	\$ 30,326	\$ 47,161
Liabilities:		
Accounts payable	\$ 19	\$ 95
Accrued expenses	2,057	2,236
Total liabilities	2,076	2,331
Fund balance:		
Assigned	28,250	44,830
Total fund balance	28,250	44,830
Total liabilities and fund balance	\$ 30,326	\$ 47,161

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, 2023 AND 2022

	2023	2022
Revenues:		
Other	\$ 2,946	\$ 4,232
Expenditures:		
Current:		
Housing and development	162,151	124,625
Culture and recreation	3,500	3,500
Debt service	1,389,999	1,382,074
Total expenditures	1,555,650	1,510,199
Excess (deficiency) of revenues over (under) expenditures	(1,552,704)	(1,505,967)
Other financing sources (uses):		
Transfers in	1,536,124	1,487,827
Total other financing sources (uses)	1,536,124	1,487,827
Net change in fund balance	(16,580)	(18,140)
Fund balance at beginning of year	44,830	62,970
Fund balance at end of year	\$ 28,250	\$ 44,830

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, 2023

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Other	\$ 2,945	\$ 2,946	\$ 1
Total revenues	<u>2,945</u>	<u>2,946</u>	<u>1</u>
Expenditures:			
Current:			
Housing and development	162,170	162,151	19
Culture and recreation	3,500	3,500	-
Debt service	1,389,999	1,389,999	-
Total expenditures	<u>1,555,669</u>	<u>1,555,650</u>	<u>19</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,552,724)</u>	<u>(1,552,704)</u>	<u>20</u>
Other financing sources (uses):			
Transfers in	1,536,124	1,536,124	-
Total other financing sources (uses)	<u>1,536,124</u>	<u>1,536,124</u>	<u>-</u>
Net change in fund balance	<u>\$ (16,600)</u>	(16,580)	<u>\$ 20</u>
Fund balance at beginning of year		<u>44,830</u>	
Fund balance at end of year		<u>\$ 28,250</u>	

**CITY OF ACWORTH, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	2023	2022
Assets:		
Restricted assets:		
Cash	\$ 1,500	\$ 1,500
Total assets	\$ 1,500	\$ 1,500
Liabilities:		
Due to other funds	\$ 1,500	\$ 1,500
Total liabilities	\$ 1,500	\$ 1,500

CITY OF ACWORTH, GEORGIA
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Revenues:		
Taxes	\$ 154,497	\$ 174,227
Intergovernmental	554,362	550,488
Total revenues	708,859	724,715
Expenditures:		
Current:		
Debt service	513,434	510,182
Total expenditures	513,434	510,182
Excess (deficiency) of revenues over (under) expenditures	195,425	214,533
Other financing sources (uses):		
Transfers in	1	-
Transfers out	(195,426)	(214,533)
Total other financing sources (uses)	(195,425)	(214,533)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	\$ -	\$ -

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, 2023

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 154,497	\$ 154,497	\$ -
Intergovernmental	554,362	554,362	-
Total revenues	<u>708,859</u>	<u>708,859</u>	<u>-</u>
Expenditures:			
Current:			
Debt service	513,435	513,434	1
Total expenditures	<u>513,435</u>	<u>513,434</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>195,424</u>	<u>195,425</u>	<u>1</u>
Other financing sources (uses):			
Transfers in	1	1	-
Transfers out	(195,426)	(195,426)	-
Total other financing sources (uses)	<u>(195,425)</u>	<u>(195,425)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1)</u>	-	<u>\$ 1</u>
Fund balance at beginning of year		<u>-</u>	
Fund balance at end of year		<u>\$ -</u>	

**CITY OF ACWORTH, GEORGIA
CAPITAL IMPROVEMENT
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u> (As Restated)
Assets:		
Cash	\$ -	\$ 44,763
Investments	10,068	9,702
Due from other governments	225,859	340
Due from other funds	2,453,129	2,508,090
Restricted cash	<u>5,879,623</u>	<u>3,924,667</u>
Total assets	<u><u>\$ 8,568,679</u></u>	<u><u>\$ 6,487,562</u></u>
Liabilities:		
Accounts payable	\$ 766,981	\$ 48,127
Retainage payable	237,305	-
Due to other funds	<u>5,022,874</u>	<u>3,920,230</u>
Total liabilities	<u>6,027,160</u>	<u>3,968,357</u>
Fund balance:		
Committed	256,568	473,166
Assigned	<u>2,284,951</u>	<u>2,046,039</u>
Total fund balance	<u>2,541,519</u>	<u>2,519,205</u>
Total liabilities and fund balance	<u><u>\$ 8,568,679</u></u>	<u><u>\$ 6,487,562</u></u>

**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, 2023 AND 2022**

	2023	2022 (As Restated)
Revenues:		
Intergovernmental	\$ 698,084	\$ 52,170
Investment earnings	366	35
Total revenues	698,450	52,205
Expenditures:		
Capital outlay	5,181,512	1,446,082
Total expenditures	5,181,512	1,446,082
Excess (deficiency) of revenues over (under) expenditures	(4,483,062)	(1,393,877)
Other financing sources (uses):		
Transfers in	4,505,376	1,354,437
Total other financing sources (uses)	4,505,376	1,354,437
Net change in fund balance	22,314	(39,440)
Fund balance at beginning of year	2,519,205	2,558,645
Fund balance at end of year	\$ 2,541,519	\$ 2,519,205

CITY OF ACWORTH, GEORGIA
SPLOST
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2023 AND 2022

	2023	2022
Assets:		
Due from other governments	\$ 1,230,246	\$ 1,100,395
Restricted assets:		
Cash	10,032,835	7,236,970
Investments	824,651	794,696
Total assets	\$ 12,087,732	\$ 9,132,061
 Liabilities:		
Accounts payable	\$ 794,182	\$ 469,801
Retainage payable	63,316	140,529
Total liabilities	857,498	610,330
 Fund balance:		
Restricted	11,230,234	8,521,731
 Total fund balance	11,230,234	8,521,731
 Total liabilities and fund balances	\$ 12,087,732	\$ 9,132,061

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, 2023 AND 2022

	2023	2022
Revenues:		
Intergovernmental	\$ 7,934,911	\$ 6,143,726
Investment earnings	61,387	4,179
	7,996,298	6,147,905
Total revenues		
Expenditures:		
Capital outlay	5,112,689	4,275,021
Debt service	175,106	125,000
	5,287,795	4,400,021
Total expenditures		
Excess (deficiency) of revenues over (under) expenditures	2,708,503	1,747,884
Other financing sources (uses):		
Insurance reimbursements	-	19,922
Issuance of debt	-	525,317
	-	545,239
Total other financing sources (uses)		
Net change in fund balance	2,708,503	2,293,123
Fund balance at beginning of year	8,521,731	6,228,608
Fund balance at end of year	\$ 11,230,234	\$ 8,521,731

CITY OF ACWORTH, GEORGIA
ELECTRICAL POWER
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023 AND 2022

Assets:	2023	2022
Current assets:		
Cash	\$ 3,638,427	\$ 4,671,558
Investments	5,474,110	5,383,872
Receivables (net of allowance for estimated uncollectibles)		
Utility accounts	1,813,008	1,952,290
Due from other funds	144,550	195,883
Inventory	813,129	809,468
Prepaid items	26,053	26,632
Restricted assets:		
Cash	1,347,831	1,276,937
Investments	8,495,459	8,451,757
	<u>21,752,567</u>	<u>22,768,397</u>
Noncurrent assets:		
Property, plant and equipment, net	4,992,478	5,250,874
Total assets	<u>26,745,045</u>	<u>28,019,271</u>
Deferred outflows of resources:		
Related to pensions	389,302	238,364
Related to OPEB	889,563	1,075,050
Total deferred outflows of resources	<u>1,278,865</u>	<u>1,313,414</u>
Liabilities:		
Current liabilities:		
Accounts payable	618,677	934,881
Accrued liabilities	22,398	91,839
Due to other funds	461,228	450,366
Total OPEB liability	25,500	-
Customer deposits	1,087,742	1,001,325
Accrued compensated absences	63,907	43,670
Lease obligations	-	7,090
Total current liabilities	<u>2,279,452</u>	<u>2,529,171</u>
Long-term liabilities (net of current portion):		
Accrued compensated absences	15,977	10,918
Total OPEB liability	4,113,188	4,309,052
Net pension liability	806,644	444,200
Total long-term liabilities	<u>4,935,809</u>	<u>4,764,170</u>
Total liabilities	<u>7,215,261</u>	<u>7,293,341</u>
Deferred inflows of resources:		
Deferred regulatory credits	6,482,162	6,482,162
Related to pensions	46,158	202,049
Related to OPEB	745,724	507,433
Total deferred inflows of resources	<u>7,274,044</u>	<u>7,191,644</u>
Net position:		
Net investment in capital assets	4,992,478	5,243,784
Unrestricted	8,542,127	9,603,916
Total net position	<u>\$ 13,534,605</u>	<u>\$ 14,847,700</u>

**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, 2023 AND 2022**

	2023	2022
Operating revenues:		
Charges for services	\$ 14,857,291	\$ 14,676,677
Other	531,190	358,541
Total operating revenues	15,388,481	15,035,218
Operating expenses:		
Personal services	2,003,290	1,939,341
Operating	13,693,369	11,645,766
Depreciation	572,646	635,887
Total operating expenses	16,269,305	14,220,994
Operating income (loss)	(880,824)	814,224
Nonoperating revenues (expenses):		
Gain (loss) on disposal of capital assets	2,400	-
Investment earnings	208,939	(590,405)
Interest expense	(25)	(883)
Total nonoperating revenues (expenses)	211,314	(591,288)
Income before contributions and transfers	(669,510)	222,936
Capital contributions	27,966	53,250
Transfers out	(671,551)	(671,541)
Increase (decrease) in net position	(1,313,095)	(395,355)
Net position at beginning of year	14,847,700	15,243,055
Net position at end of year	\$ 13,534,605	\$ 14,847,700

CITY OF ACWORTH, GEORGIA
ELECTRICAL POWER
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash flows from (to) operating activities:		
Cash received from customers	\$ 15,614,180	\$ 14,911,981
Cash payments for goods and services	(13,950,460)	(12,530,154)
Cash payments for employee services and fringe benefits	<u>(1,738,406)</u>	<u>(1,533,643)</u>
Net cash from operating activities	<u>(74,686)</u>	<u>848,184</u>
Cash flows from (to) noncapital financing activities:		
Transfers out	<u>(671,551)</u>	<u>(671,541)</u>
Net cash to noncapital financing activities	<u>(671,551)</u>	<u>(671,541)</u>
Cash flows from (to) capital and related financing activities:		
Contributed capital	27,966	53,250
Proceeds from sale of capital assets	2,400	-
Interest paid	(25)	(883)
Payments for capital acquisitions	(314,250)	(398,898)
Principal payments on long-term obligations	<u>(7,090)</u>	<u>(41,812)</u>
Net cash from (to) capital and related financing activities	<u>(290,999)</u>	<u>(388,343)</u>
Cash flows from (to) investing activities:		
(Purchases) proceeds from sale of investments	<u>74,999</u>	<u>-</u>
Net cash from (to) investing activities	<u>74,999</u>	<u>-</u>
Net increase (decrease) in cash	(962,237)	(211,700)
Cash at beginning of year (including \$1,276,937 and \$1,269,734 in restricted cash)	<u>5,948,495</u>	<u>6,160,195</u>
Cash at end of year (including \$1,347,831 and \$1,276,937 in restricted cash)	<u>\$ 4,986,258</u>	<u>\$ 5,948,495</u>

CITY OF ACWORTH, GEORGIA
ELECTRICAL POWER
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (880,824)	\$ 814,224
Adjustments to reconcile operating income to net cash to operating activities:		
Depreciation	572,646	635,887
(Increase) decrease in utility accounts receivable	139,282	(130,589)
(Increase) decrease in due from other funds	51,333	(149,633)
(Increase) decrease in inventory	(3,661)	(34,903)
(Increase) decrease in prepaid items	579	7,256
(Increase) decrease in deferred outflows of resources	34,549	190,797
Increase (decrease) in accounts payable	(316,204)	314,390
Increase (decrease) in accrued liabilities	(44,145)	69,858
Increase (decrease) in due to other funds	10,862	(1,021,498)
Increase (decrease) in customer deposits	86,417	7,352
Increase (decrease) in total OPEB liability	(170,364)	(68,990)
Increase (decrease) in net pension liability	362,444	(216,211)
Increase (decrease) in deferred inflows of resources	82,400	430,244
	\$ (74,686)	\$ 848,184
Net cash from operating activities		

CITY OF ACWORTH, GEORGIA
SANITATION
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023 AND 2022

Assets:	<u>2023</u>	<u>2022</u>
Current assets:		
Cash	\$ 1,246,792	\$ 1,261,249
Receivables (net of allowance for estimated uncollectibles):		
Utility accounts	144,591	195,071
Due from other funds	338,496	333,851
Prepaid items	645	-
Total current assets	<u>1,730,524</u>	<u>1,790,171</u>
Noncurrent assets:		
Property, plant and equipment, net	<u>475,678</u>	<u>341,243</u>
Total assets	<u>2,206,202</u>	<u>2,131,414</u>
 Deferred outflows of resources:		
Related to pensions	189,863	101,589
Related to OPEB	<u>523,272</u>	<u>632,382</u>
Total deferred outflows of resources	<u>713,135</u>	<u>733,971</u>
 Liabilities:		
Current liabilities:		
Accounts payable	21,300	24,616
Accrued liabilities	10,162	9,277
Accrued compensated absences	24,842	21,923
Due to other funds	22,045	18,100
Total OPEB liability	15,000	-
Customer deposits	323,278	320,210
Lease obligations	<u>40,669</u>	<u>39,295</u>
Total current liabilities	<u>457,296</u>	<u>433,421</u>
Long-term liabilities (net of current portion):		
Accrued compensated absences	6,211	5,481
Total OPEB liability	2,419,522	2,534,736
Net pension liability	393,401	189,316
Lease obligations	<u>34,968</u>	<u>75,637</u>
Total long-term liabilities	<u>2,854,102</u>	<u>2,805,170</u>
Total liabilities	<u>3,311,398</u>	<u>3,238,591</u>
 Deferred inflows of resources:		
Related to pensions	22,511	86,112
Related to OPEB	<u>438,661</u>	<u>298,490</u>
Total deferred inflows of resources	<u>461,172</u>	<u>384,602</u>
 Net position:		
Net investment in capital assets	400,041	226,311
Unrestricted	<u>(1,253,274)</u>	<u>(984,119)</u>
Total net position	<u>\$ (853,233)</u>	<u>\$ (757,808)</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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Charges for services	\$ 2,249,843	\$ 2,193,450
Total operating revenues	<u>2,249,843</u>	<u>2,193,450</u>
Operating expenses:		
Personal services	1,034,939	953,284
Operating	1,256,508	1,193,477
Depreciation	50,483	117,831
Total operating expenses	<u>2,341,930</u>	<u>2,264,592</u>
Operating income (loss)	<u>(92,087)</u>	<u>(71,142)</u>
Nonoperating revenues (expenses):		
Miscellaneous	-	8,482
Interest expense	(3,338)	(5,159)
Total nonoperating revenues (expenses)	<u>(3,338)</u>	<u>3,323</u>
Increase (decrease) in net position	(95,425)	(67,819)
Net position at beginning of year	<u>(757,808)</u>	<u>(689,989)</u>
Net position at end of year	<u><u>\$ (853,233)</u></u>	<u><u>\$ (757,808)</u></u>

CITY OF ACWORTH, GEORGIA
SANITATION
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Cash flows from (to) operating activities:		
Cash received from customers	\$ 2,303,391	\$ 2,174,746
Cash payments for goods and services	(1,261,169)	(1,221,305)
Cash payments for employee services and fringe benefits	(829,128)	(743,588)
Net cash from (to) operating activities	213,094	209,853
Cash flows from (to) capital and related financing activities:		
Proceeds from sale of capital assets	-	8,482
Interest paid	(3,338)	(5,159)
Payments for capital acquisitions	(184,918)	(4,257)
Principal payments on long-term obligations	(39,295)	(78,810)
Net cash from (to) capital and related financing activities	(227,551)	(79,744)
Net increase (decrease) in cash	(14,457)	130,109
Cash at beginning of year	1,261,249	1,131,140
Cash at end of year	\$ 1,246,792	\$ 1,261,249
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (92,087)	\$ (71,142)
Adjustments to reconcile operating income to net cash to operating activities:		
Depreciation	50,483	117,831
Change in assets and liabilities:		
(Increase) decrease in utility accounts receivable	50,480	(28,962)
(Increase) decrease in due from other funds	(4,645)	(12,914)
(Increase) decrease in prepaid items	(645)	-
(Increase) decrease in deferred outflows of resources	20,836	111,589
Increase (decrease) in accounts payable	(3,316)	(7,667)
Increase (decrease) in accrued liabilities	4,534	4,882
Increase (decrease) in due to other funds	3,945	(7,247)
Increase (decrease) in customer deposits	3,068	10,258
Increase (decrease) in total OPEB liability	(100,214)	(40,583)
Increase (decrease) in net pension liability	204,085	(89,350)
Increase (decrease) in deferred inflows of resources	76,570	223,158
Net cash from operating activities	\$ 213,094	\$ 209,853

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

	Customer Service		Totals
	Fund	Insurance	
Assets:			
Current assets:			
Cash	\$ 95,655	\$ -	\$ 95,655
Accounts receivable	-	515	515
Due from other funds	95,445	70,556	166,001
Prepaid items	4,170	110,072	114,242
	<hr/>	<hr/>	<hr/>
Total current assets	195,270	181,143	376,413
	<hr/>	<hr/>	<hr/>
Total assets	195,270	181,143	376,413
	<hr/>	<hr/>	<hr/>
Deferred outflows of resources:			
Related to pensions	128,968	-	128,968
	<hr/>	<hr/>	<hr/>
Liabilities:			
Current liabilities:			
Accounts and claims payable	4,910	76,664	81,574
Accrued liabilities	8,690	-	8,690
Accrued compensated absences	21,496	-	21,496
	<hr/>	<hr/>	<hr/>
Total current liabilities	35,096	76,664	111,760
	<hr/>	<hr/>	<hr/>
Long-term liabilities (net of current portion):			
Accrued compensated absences	5,374	-	5,374
Net pension liability	267,226	-	267,226
	<hr/>	<hr/>	<hr/>
Total long-term liabilities	272,600	-	272,600
	<hr/>	<hr/>	<hr/>
Total liabilities	307,696	76,664	384,360
	<hr/>	<hr/>	<hr/>
Deferred inflows of resources:			
Related to pensions	15,291	-	15,291
	<hr/>	<hr/>	<hr/>
Net position:			
Unrestricted	1,251	104,479	105,730
	<hr/>	<hr/>	<hr/>
Total net position	\$ 1,251	\$ 104,479	\$ 105,730
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**CITY OF ACWORTH, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Customer Service Fund	Insurance	Totals
Operating revenues:			
Charges for services	\$ 712,000	\$ 3,612,598	\$ 4,324,598
Other	31,546	-	31,546
Total operating revenues	<u>743,546</u>	<u>3,612,598</u>	<u>4,356,144</u>
Operating expenses:			
Personal services	597,992	-	597,992
Operating	208,534	3,932,782	4,141,316
Total operating expenses	<u>806,526</u>	<u>3,932,782</u>	<u>4,739,308</u>
Operating income (loss)	<u>(62,980)</u>	<u>(320,184)</u>	<u>(383,164)</u>
Increase (decrease) in net position	(62,980)	(320,184)	(383,164)
Net position at beginning of year	<u>64,231</u>	<u>424,663</u>	<u>488,894</u>
Net position at end of year	<u>\$ 1,251</u>	<u>\$ 104,479</u>	<u>\$ 105,730</u>

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

	Customer Service Fund	Insurance	Totals
Cash flows from (to) operating activities:			
Cash received from contributions and services provided	\$ 716,356	\$ 3,693,930	\$ 4,410,286
Cash payments for goods and services	(209,228)	-	(209,228)
Cash payments for benefits and claims	-	(3,693,930)	(3,693,930)
Cash payments for employee services and fringe benefits	(580,750)	-	(580,750)
Net cash from (to) operating activities	<u>(73,622)</u>	<u>-</u>	<u>(73,622)</u>
Net increase (decrease) in cash	(73,622)	-	(73,622)
Cash at beginning of year	<u>169,277</u>	<u>-</u>	<u>169,277</u>
Cash at end of year	<u>\$ 95,655</u>	<u>\$ -</u>	<u>\$ 95,655</u>
Reconciliation of operating income (loss) to net cash from (to) operating activities:			
Operating income (loss)	\$ (62,980)	\$ (320,184)	\$ (383,164)
Adjustments to reconcile operating income (loss) to net			
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	2,724	(515)	2,209
(Increase) decrease in due from other funds	(29,914)	81,847	51,933
(Increase) decrease in prepaid items	(374)	245,729	245,355
(Increase) decrease in deferred outflows of resources	(43,551)	-	(43,551)
Increase (decrease) in accounts and claims payable	(320)	(6,877)	(7,197)
Increase (decrease) in accrued liabilities	9,856	-	9,856
Increase (decrease) in net pension liability	108,049	-	108,049
Increase (decrease) in deferred inflows of resources	(57,112)	-	(57,112)
Net cash from (to) operating activities	<u>\$ (73,622)</u>	<u>\$ -</u>	<u>\$ (73,622)</u>

CITY OF ACWORTH, GEORGIA
CUSTOMER SERVICE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023 AND 2022

Assets:	2023	2022
Current assets:		
Cash	\$ 95,655	\$ 169,277
Accounts receivable	-	2,724
Due from other funds	95,445	65,531
Prepaid items	4,170	3,796
Total current assets	195,270	241,328
Total assets	195,270	241,328
Deferred outflows of resources:		
Related to pensions	128,968	85,417
Liabilities:		
Current liabilities:		
Accounts payable	4,910	5,230
Accrued liabilities	8,690	5,806
Accrued compensated absences	21,496	15,918
Total current liabilities	35,096	26,954
Long-term liabilities (net of current portion):		
Accrued compensated absences	5,374	3,980
Net pension liability	267,226	159,177
Total long-term liabilities	272,600	163,157
Total liabilities	307,696	190,111
Deferred inflows of resources:		
Related to pensions	15,291	72,403
Net position:		
Unrestricted	1,251	64,231
Total net position	\$ 1,251	\$ 64,231

**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, 2023 AND 2022**

	2023	2022
Operating revenues:		
Charges for services	\$ 712,000	\$ 736,000
Other	31,546	33,009
	743,546	769,009
Operating expenses:		
Personal services	597,992	559,075
Operating	208,534	216,376
Depreciation	-	863
	806,526	776,314
Operating income (loss)	(62,980)	(7,305)
Increase (decrease) in net position	(62,980)	(7,305)
Net position at beginning of year	64,231	71,536
Net position at end of year	\$ 1,251	\$ 64,231

**CITY OF ACWORTH, GEORGIA
CUSTOMER SERVICE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
Cash flows from (to) operating activities:		
Cash received from customers	\$ 716,356	\$ 791,847
Cash payments for goods and services	(209,228)	(218,462)
Cash payments for employee services and fringe benefits	(580,750)	(552,474)
Net cash from (to) operating activities	(73,622)	20,911
Net increase (decrease) in cash	(73,622)	20,911
Cash at beginning of year	169,277	148,366
Cash at end of year	\$ 95,655	\$ 169,277
 Reconciliation of operating income (loss) to net cash from (to) operating activities:		
Operating income (loss)	\$ (62,980)	\$ (7,305)
Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:		
Depreciation	-	863
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	2,724	(2,525)
(Increase) decrease in due from other funds	(29,914)	25,363
(Increase) decrease in prepaid items	(374)	(128)
(Increase) decrease in deferred outflows of resources	(43,551)	(9,651)
Increase (decrease) in accounts payable	(320)	(1,958)
Increase (decrease) in accrued liabilities	9,856	1,965
Increase (decrease) in net pension liability	108,049	(52,687)
Increase (decrease) in deferred inflows of resources	(57,112)	66,974
Net cash from (to) operating activities	\$ (73,622)	\$ 20,911

CITY OF ACWORTH, GEORGIA
INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023 AND 2022

Assets:	<u>2023</u>	<u>2022</u>
Current assets:		
Accounts receivable	\$ 515	\$ -
Due from other funds	70,556	152,403
Prepaid items	<u>110,072</u>	<u>355,801</u>
Total current assets	<u>181,143</u>	<u>508,204</u>
Total assets	<u>181,143</u>	<u>508,204</u>
Liabilities:		
Current liabilities:		
Accounts and claims payable	<u>76,664</u>	<u>83,541</u>
Total liabilities	<u>76,664</u>	<u>83,541</u>
Net position:		
Unrestricted	<u>104,479</u>	<u>424,663</u>
Total net position	<u><u>\$ 104,479</u></u>	<u><u>\$ 424,663</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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Charges for services	\$ 3,612,598	\$ 3,552,491
Total operating revenues	<u>3,612,598</u>	<u>3,552,491</u>
Operating expenses:		
Operating	<u>3,932,782</u>	<u>3,500,293</u>
Total operating expenses	<u>3,932,782</u>	<u>3,500,293</u>
Operating income (loss)	<u>(320,184)</u>	<u>52,198</u>
Increase (decrease) in net position	(320,184)	52,198
Net position at beginning of year	<u>424,663</u>	<u>372,465</u>
Net position at end of year	<u>\$ 104,479</u>	<u>\$ 424,663</u>

**CITY OF ACWORTH, GEORGIA
INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
Cash flows from (to) operating activities:		
Cash received from contributions and services provided	\$ 3,693,930	\$ 3,594,174
Cash payments for benefits and claims	(3,693,930)	(3,594,174)
Net cash from (to) operating activities	-	-
Net increase (decrease) in cash	-	-
Cash at beginning of year	-	-
Cash at end of year	\$ -	\$ -
 Reconciliation of operating income (loss) to net cash from (to) operating activities:		
Operating income (loss)	\$ (320,184)	\$ 52,198
Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(515)	-
(Increase) decrease in due from other funds	81,847	41,683
(Increase) decrease in prepaid items	245,729	(31,759)
Increase (decrease) in accounts and claims payable	(6,877)	(62,122)
Net cash from (to) operating activities	\$ -	\$ -

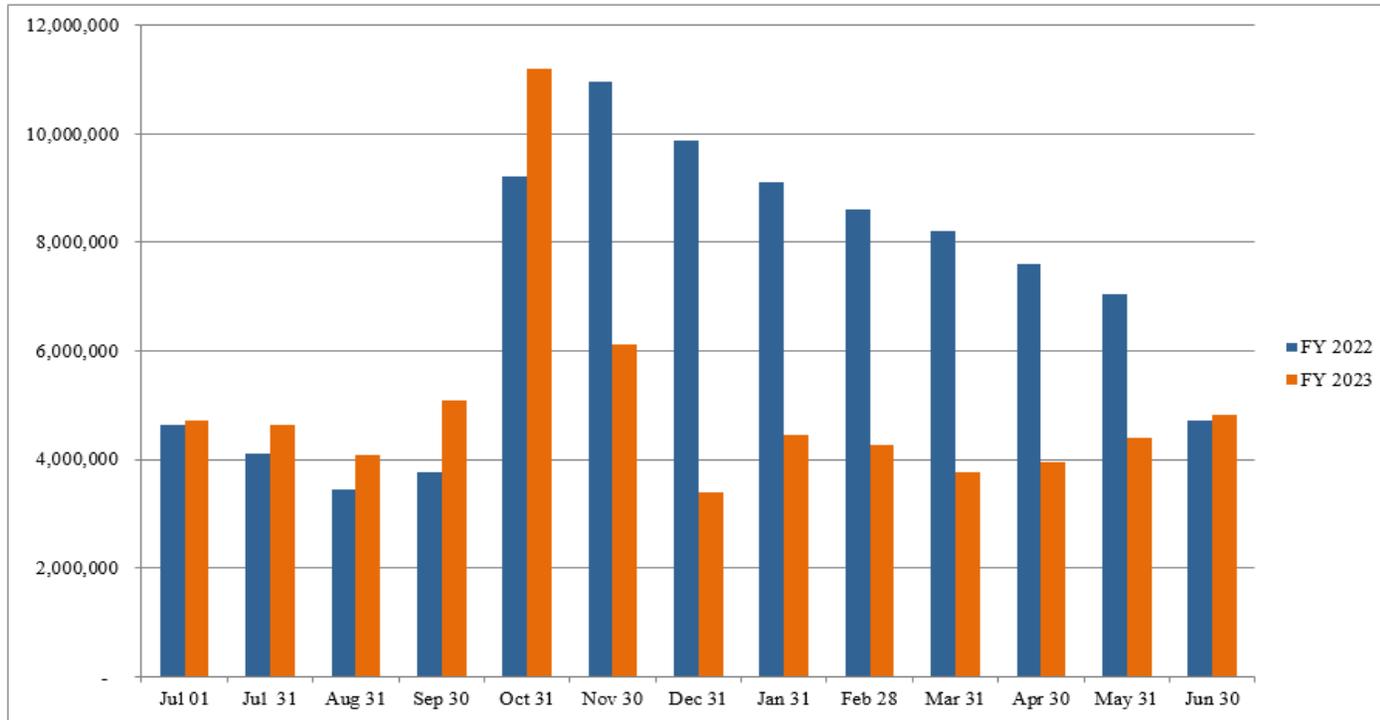
CITY OF ACWORTH, GEORGIA
SCHEDULE OF INDEBTEDNESS
JUNE 30, 2023

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
GENERAL LONG-TERM DEBT				
Tax Allocation District Bonds - Series 2013	12/01/23	\$ 498,733	\$ 18,733	\$ 480,000
Lakeside Project ;\$5,595,000	06/01/24	12,637	12,637	-
bi-annual debt service; 2.54%	12/01/24	502,637	12,637	490,000
Debt service is paid from tax increment within district.	06/01/25	6,417	6,417	-
261-80000	12/01/25	<u>511,416</u>	<u>6,416</u>	<u>505,000</u>
		<u>\$ 1,531,840</u>	<u>\$ 56,840</u>	<u>\$ 1,475,000</u>
Jail & Court Services Facility Renovations and Addition	1/7/2024	\$ 298,110	\$ 21,088	\$ 277,022
\$2,537,698; Fixed Rate - 2.39%	7/7/2024	17,777	17,777	-
Mature - 01/07/2029	1/7/2025	301,420	17,777	283,643
100-80000	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	<u>315,472</u>	<u>3,725</u>	<u>311,747</u>
		<u>\$ 1,894,097</u>	<u>\$ 129,430</u>	<u>\$ 1,764,667</u>
CableNET Project Refunding Bonds; Series 2020	1/1/2024	\$ 33,968	\$ 33,968	\$ -
\$5,515,000; Fixed Rate - 2.10%	7/1/2024	648,967	33,967	615,000
Mature - 07/01/2028	1/1/2025	27,510	27,510	-
190-80000	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	<u>682,087</u>	<u>7,087</u>	<u>675,000</u>
		<u>\$ 3,441,954</u>	<u>\$ 206,954</u>	<u>\$ 3,235,000</u>
Downtown Project Series 2017	1/1/2024	\$ 69,413	\$ 69,413	\$ -
\$7,160,000; Fixed Rate - 2.250%	7/1/2024	634,412	69,412	565,000
Mature - 07/01/2031	1/1/2025	63,056	63,056	-
190-80000	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	648,482	43,482	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	<u>217,419</u>	<u>2,419</u>	<u>215,000</u>
		<u>\$ 6,856,925</u>	<u>\$ 686,925</u>	<u>\$ 6,170,000</u>

CITY OF ACWORTH, GEORGIA
SCHEDULE OF INDEBTEDNESS
JUNE 30, 2023

DESCRIPTION	PAYMENT DATE	DEBT SERVICE PAYMENT	INTEREST PORTION	PRINCIPAL PORTION
2017 Mower Max/SideArm	7/1/2023	\$ 2,982	\$ 31	\$ 2,951
09/18/2018 - \$178,953; 4.2499%; 60 months	8/1/2023	2,983	21	2,962
\$2,982.55 60/monthly	9/1/2023	2,983	11	2,972
100-80000		<u>\$ 8,948</u>	<u>\$ 63</u>	<u>\$ 8,885</u>
Police Radios - Lease Motorola Solutions	10/15/2023	\$ 175,106	\$ -	\$ 175,106
	10/15/2024	175,105	-	175,105
10/15/2021- \$512,317.43; 0% interest; 36 months				
365-8000		<u>\$ 350,211</u>	<u>\$ -</u>	<u>\$ 350,211</u>
TOTAL GENERAL LONG-TERM DEBT				<u>\$ 13,003,763</u>
Sanitation Fund				
2020 Freightliner Sanitation Truck	7/15/2023	\$ 3,553	\$ 217	\$ 3,336
04/28/2020 - \$195,822; 3.44%; 60 months	8/15/2023	3,553	207	3,346
\$3,552.77/monthly	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
	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
Total Solid Waste Sanitation Fund		<u>\$ 78,152</u>	<u>\$ 2,515</u>	<u>\$ 75,637</u>
TOTAL ENTERPRISE FUNDS				<u>\$ 75,637</u>

CITY OF ACWORTH, GEORGIA
GENERAL FUND SCHEDULE OF UNASSIGNED FUND BALANCE BY MONTH
FISCAL YEARS 2022 AND 2023



STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding the financial statements, note disclosures, required supplementary information as well as the overall financial position of the City.

Financial Trends

These schedules contain trend information to help the user understand how the City's financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the user assess the City's major revenue sources.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

These schedules contain staffing, key operating and capital statistics comparisons to help the user 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 Annual Comprehensive Financial Report 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,									
	2014 (1)	2015	2016	2017 (1)	2018	2019	2020	2021	2022 (1)	2023
Governmental Activities										
Net investment in capital assets	\$ 41,531,232	\$ 42,518,514	\$ 44,217,395	\$ 39,162,439	\$ 47,017,712	\$ 54,070,531	\$ 55,135,519	\$ 55,060,730	\$ 55,618,323	\$ 59,745,644
Restricted	6,086,764	7,226,407	7,352,579	16,367,889	17,191,465	6,246,325	8,949,567	10,739,456	13,128,529	16,898,303
Unrestricted	(10,419,765)	(9,883,096)	(10,654,546)	(16,705,531)	(20,160,007)	(16,323,081)	(17,955,625)	(17,262,749)	(16,969,616)	(17,560,643)
Subtotal Governmental Activities Net Position	<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>	<u>48,537,437</u>	<u>51,777,236</u>	<u>59,083,304</u>
Business-Type Activities										
Net investment in capital assets	5,052,522	4,846,950	5,076,443	4,772,777	5,196,702	5,148,421	5,556,737	5,700,036	5,470,095	5,421,217
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	6,707,323	7,782,477	9,237,222	7,565,238	8,421,968	9,661,306	9,605,087	8,967,575	8,727,037	7,304,415
Subtotal Business-Type Activities Net Position	<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>	<u>14,667,611</u>	<u>14,197,132</u>	<u>12,725,632</u>
Primary Government										
Net investment in capital assets	46,583,754	47,365,464	49,293,838	43,935,216	52,214,414	59,218,952	60,692,256	60,760,766	61,088,418	65,166,861
Restricted	6,086,764	7,226,407	7,352,579	16,367,889	17,191,465	6,246,325	8,949,567	10,739,456	-	16,898,303
Unrestricted	(3,712,442)	(2,100,619)	(1,417,324)	(9,140,293)	(11,738,039)	(6,661,775)	(8,350,538)	(8,295,174)	(8,242,579)	(10,256,228)
Total Primary Government Net Position	<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>	<u>\$ 63,205,048</u>	<u>\$ 52,845,839</u>	<u>\$ 71,808,936</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,									
	2014 (1)	2015	2016	2017 (1)	2018	2019	2020	2021	2022 (1)	2023
Expenses:										
Governmental activities	\$ 15,600,298	\$ 16,847,319	\$ 20,001,965	\$ 20,054,155	\$ 21,024,775	\$ 23,435,555	\$ 23,578,090	\$ 25,228,547	\$ 24,359,174	\$ 25,012,928
Business-type activities	12,788,057	12,334,462	11,330,037	12,565,830	12,310,101	12,613,956	13,298,485	14,157,290	15,604,801	18,997,466
Total Expenses	28,388,355	29,181,781	31,332,002	32,619,985	33,334,876	36,049,511	36,876,575	39,385,837	39,963,975	44,010,394
Program Revenues:										
Governmental activities	6,687,986	7,359,080	8,740,212	10,772,476	12,844,365	8,595,742	10,977,122	10,098,846	18,729,302	15,580,057
Business-type activities	15,144,792	15,305,717	14,752,706	15,400,275	15,213,117	15,419,365	15,375,386	16,287,165	17,281,918	17,666,290
Total Program Revenues	21,832,778	22,664,797	23,492,918	26,172,751	28,057,482	24,015,107	26,352,508	26,386,011	36,011,220	33,246,347
Net (Expense) Revenue	(6,555,577)	(6,516,984)	(7,839,084)	(6,447,234)	(5,277,394)	(12,034,404)	(10,524,067)	(12,999,826)	(3,952,755)	(10,764,047)
General Revenues and Transfers:										
Governmental activities	10,923,236	12,151,833	12,315,356	13,606,138	13,404,783	14,784,418	14,736,654	17,537,677	17,050,436	16,738,939
Business-type activities	(1,269,119)	(2,101,673)	(1,738,431)	(2,565,939)	(1,622,361)	(1,614,352)	(1,724,804)	(2,624,088)	(2,147,596)	(140,324)
Total General Revenues and Transfers	9,654,117	10,050,160	10,576,925	11,040,199	11,782,422	13,170,066	13,011,850	14,913,589	14,902,840	16,598,615
Changes in Net Position	\$ 3,098,540	\$ 3,533,176	\$ 2,737,841	\$ 4,592,965	\$ 6,505,028	\$ 1,135,662	\$ 2,487,783	\$ 1,913,763	\$ 10,950,085	\$ 5,834,568

NOTES:

(1) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined. FY2022 has been restated.

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

	Fiscal Year Ended June 30,									
	2014 (1)	2015	2016	2017 (1)	2018	2019	2020	2021	2022 (1)	2023
Expenses:										
General government	\$ 2,609,694	\$ 3,091,117	\$ 3,204,116	\$ 3,267,821	\$ 3,379,469	\$ 3,306,624	\$ 3,726,208	\$ 4,980,662	\$ 4,166,670	\$ 6,384,036
Judicial	395,493	414,891	458,293	434,219	432,251	465,947	465,586	442,904	461,936	541,641
Health and welfare	1,089	1,668	3,640	4,954	540	5,239	651	61,601	-	-
Public works	3,304,938	3,800,570	4,866,774	4,503,538	5,114,375	6,149,459	4,743,149	4,421,274	4,623,319	3,328,560
Culture and recreation	2,681,118	2,763,205	3,613,552	3,460,774	3,538,062	4,169,791	4,526,274	4,947,540	5,146,149	5,006,619
Public safety	4,450,562	4,966,721	5,948,132	6,312,018	6,681,590	7,469,115	8,270,258	8,702,416	8,260,663	8,076,685
Housing and development	1,032,121	926,219	1,060,788	1,087,930	1,210,781	1,315,407	1,170,723	1,269,259	1,338,764	1,356,367
Interest and fiscal charges	1,125,283	882,928	846,670	982,901	667,707	553,973	675,241	402,891	361,673	319,020
Total Expenses	15,600,298	16,847,319	20,001,965	20,054,155	21,024,775	23,435,555	23,578,090	25,228,547	24,359,174	25,012,928
Program Revenues:										
Charges for Services:										
General government	238,294	231,605	263,686	268,382	327,542	265,792	378,349	308,634	305,215	364,364
Judicial	1,161,935	1,084,306	1,215,947	1,024,324	845,966	1,086,151	892,583	726,032	926,388	791,719
Public works	33,375	28,481	22,733	14,258	29,350	35,240	27,990	239,191	233,326	220,486
Culture and recreation	463,883	569,999	623,672	577,614	772,717	839,757	660,029	881,704	1,141,244	1,165,206
Public safety	65,333	95,102	71,254	117,051	251,655	728,085	685,013	606,016	635,651	570,190
Housing and development	216,779	406,544	358,863	220,612	561,095	398,655	334,626	236,625	342,141	379,096
Operating grants and contributions	291,322	235,434	301,743	294,117	419,437	366,880	104,694	1,290,679	232,674	239,953
Capital grants and contributions	4,217,065	4,707,609	5,882,314	8,256,118	9,636,603	4,875,182	7,893,838	5,809,965	6,731,898	11,849,043
Total Program Revenues	6,687,986	7,359,080	8,740,212	10,772,476	12,844,365	8,595,742	10,977,122	10,098,846	10,548,537	15,580,057
Net (Expense) Revenue	(8,912,312)	(9,488,239)	(11,261,753)	(9,281,679)	(8,180,410)	(14,839,813)	(12,600,968)	(15,129,701)	(13,810,637)	(9,432,871)
General Revenues and Transfers:										
General revenues:										
Property taxes	5,227,730	5,305,820	5,522,167	5,808,084	6,121,477	6,546,327	6,642,549	8,643,072	9,084,772	9,600,941
Insurance premium tax	1,053,603	1,102,373	1,177,704	1,276,993	1,360,988	1,465,968	1,558,478	1,645,662	1,699,627	1,826,012
Alcohol taxes	466,400	468,573	538,892	536,334	534,902	522,948	533,841	600,807	620,562	610,195
Hotel, motel tax	139,982	188,530	206,648	308,414	432,264	405,486	296,014	289,380	459,656	500,392
Franchise taxes	1,370,578	1,416,619	1,400,859	1,464,398	1,414,927	1,476,003	1,509,857	1,507,122	1,593,113	1,622,742
Financial institution tax	33,745	33,761	77,875	34,785	41,460	48,208	46,044	38,277	39,659	51,587
Business Taxes	456,762	451,893	500,078	527,302	634,411	640,558	658,818	693,971	701,580	776,354
Contributions not restricted to a specific program	600,130	591,414	608,173	590,435	601,143	650,284	655,739	647,299	550,488	554,362
Operating grants not restricted to a specific programs	245,977	433,818	439,279	441,522	455,648	454,529	464,378	507,710	492,675	516,715
Gain on sale of capital assets	-	-	-	-	-	-	301,892	294,728	134,075	105,462
Unrestricted investment earnings	18,339	19,514	19,564	15,293	87,196	129,238	145,372	59,567	108,556	222,514
Miscellaneous	-	-	-	-	-	541,926	-	-	-	-
Transfers	1,310,000	2,139,518	1,824,117	2,602,578	1,720,367	1,902,943	1,923,672	2,610,082	1,565,673	351,663
Total General Revenues and Transfers	10,923,246	12,151,833	12,315,356	13,606,138	13,404,783	14,784,418	14,736,654	17,537,677	17,050,436	16,738,939
Change in Net Position	\$ 2,010,934	\$ 2,663,594	\$ 1,053,603	\$ 4,324,459	\$ 5,224,373	\$ (55,395)	\$ 2,135,686	\$ 2,407,976	\$ 3,239,799	\$ 7,306,068

NOTES:

(1) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined. FY22 has been restated.

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

	Fiscal Year Ended June 30,									
	2014 (1)	2015	2016	2017 (1)	2018	2019	2020	2021	2022	2023
Expenses:										
Electrical Power	\$ 11,488,074	\$ 10,867,184	\$ 9,787,092	\$ 10,878,263	\$ 10,512,965	\$ 10,865,674	\$ 11,778,042	\$ 12,066,618	\$ 13,554,607	\$ 16,332,310
Sanitation	1,299,983	1,467,278	1,542,945	1,687,567	1,797,136	1,748,282	1,520,443	2,090,672	2,050,194	2,345,268
Stormwater	-	-	-	-	-	-	-	-	-	319,888
Total Expenses	12,788,057	12,334,462	11,330,037	12,565,830	12,310,101	12,613,956	13,298,485	14,157,290	15,604,801	18,997,466
Program Revenues:										
Charges for Services:										
Electrical Power	13,548,217	13,622,247	13,010,289	13,587,030	13,306,315	13,489,767	13,342,346	14,155,267	15,035,218	15,388,481
Sanitation	1,594,705	1,682,170	1,716,409	1,790,092	1,859,419	1,922,048	2,015,288	2,096,998	2,193,450	2,249,843
Stormwater	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,870	1,300	26,008	23,153	47,383	7,550	17,752	34,900	53,250	27,966
Total Program Revenues	15,144,792	15,305,717	14,752,706	15,400,275	15,213,117	15,419,365	15,375,386	16,287,165	17,281,918	17,666,290
Net (Expense) Revenue	2,356,735	2,971,255	3,422,669	2,834,445	2,903,016	2,805,409	2,076,901	2,129,875	1,677,117	(1,331,176)
General Revenues and Transfers:										
Unrestricted investment earnings	40,881	37,845	85,686	36,639	98,006	287,238	198,843	(14,031)	(590,405)	208,939
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	2,400
Miscellaneous	-	-	-	-	-	1,353	25	25	8,482	-
Transfers	(1,310,000)	(2,139,518)	(1,824,117)	(2,602,578)	(1,720,367)	(1,902,943)	(1,923,672)	(2,610,082)	(1,565,673)	(351,663)
Total General Revenues and Transfers	(1,269,119)	(2,101,673)	(1,738,431)	(2,565,939)	(1,622,361)	(1,614,352)	(1,724,804)	(2,624,088)	(2,147,596)	(140,324)
Changes in Net Position	\$ 1,087,616	\$ 869,582	\$ 1,684,238	\$ 268,506	\$ 1,280,655	\$ 1,191,057	\$ 352,097	\$ (494,213)	\$ (470,479)	\$ (1,471,500)

NOTES:

(1) 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,									
	2014 (1)	2015	2016	2017 (1)	2018	2019	2020	2021	2022 (1)	2023
Governmental Activities										
General government	\$ 238,294	\$ 231,605	\$ 263,686	\$ 268,382	\$ 327,542	\$ 265,792	\$ 378,349	\$ 1,493,943	\$ 645,520	\$ 3,519,025
Judicial	1,161,935	1,084,306	1,215,947	1,024,324	845,966	1,086,151	892,583	726,032	926,388	791,719
Public works (1)	4,195,856	2,870,130	2,732,651	3,449,467	5,005,291	2,229,801	4,921,903	3,101,987	4,218,389	7,035,968
Culture and recreation	584,902	1,061,642	3,012,751	4,897,767	5,088,050	3,279,488	3,387,534	3,434,293	3,053,336	2,514,516
Public safety	290,220	1,704,853	1,156,314	911,924	1,016,421	1,335,855	1,062,127	1,105,966	1,362,763	1,339,733
Housing and development	216,779	406,544	358,863	220,612	561,095	398,655	334,626	236,625	342,141	379,096
Subtotal governmental activities	6,687,986	7,359,080	8,740,212	10,772,476	12,844,365	8,595,742	10,977,122	10,098,846	10,548,537	15,580,057
Business-type activities										
Electric	13,550,087	13,623,547	13,036,297	13,610,183	13,353,698	13,497,317	13,360,098	14,190,167	15,088,468	15,416,447
Sanitation	1,594,705	1,682,170	1,716,409	1,790,092	1,859,419	1,922,048	2,015,288	2,096,998	2,193,450	2,249,843
Subtotal business-type activities	15,144,792	15,305,717	14,752,706	15,400,275	15,213,117	15,419,365	15,375,386	16,287,165	17,281,918	17,666,290
Total Primary Government	\$ 21,832,778	\$ 22,664,797	\$ 23,492,918	\$ 26,172,751	\$ 28,057,482	\$ 24,015,107	\$ 26,352,508	\$ 26,386,011	\$ 27,830,455	\$ 33,246,347

NOTES:

(1) FY2014 and FY2017 have been restated and the effect of those restatements to previously reported changes in net position have not been determined. FY22 has been restated.

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)	2023
General Fund										
Non-spendable	\$ 272,111	\$ 61,309	\$ 91,878	\$ 113,343	\$ 152,605	\$ 327,501	\$ 325,252	\$ 361,954	\$ 344,686	\$ 401,038
Restricted	3,181,225	3,198,814	3,004,675	3,013,675	3,004,277	3,004,280	3,005,122	3,008,499	3,034,012	3,048,547
Committed	7,160	-	-	-	-	-	11,726	9,899	408	-
Assigned	451,576	23,300	50,289	29,816	34,078	37,970	66,793	100,485	97,918	98,875
Unassigned	3,689,509	4,522,607	4,695,627	4,727,353	4,717,355	4,549,902	4,619,541	4,634,626	4,717,648	4,752,781
Total General Fund	<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>	<u>\$ 8,115,463</u>	<u>\$ 8,194,672</u>	<u>\$ 8,301,241</u>
All Other Governmental Funds										
Non-spendable	\$ 77,162	\$ 868,138	\$ 125,000	\$ 375,000	\$ 818,837	\$ 137,584	\$ 55,944	\$ 48,248	\$ -	\$ -
Restricted	6,473,100	3,159,455	4,222,905	12,979,209	13,368,351	3,222,938	5,544,565	7,199,505	9,371,597	12,205,397
Committed	10,245	99,486	1,600	7,935	93,434	1,596	-	329,419	473,166	256,568
Assigned	1,038,632	879,274	67,067	197,729	391,970	231,755	457,486	2,039,316	2,102,881	2,322,731
Unassigned	-	-	(285,719)	-	-	-	-	-	-	-
Total All Other Governmental Funds	<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>	<u>\$ 9,616,488</u>	<u>\$ 11,947,644</u>	<u>\$ 14,784,696</u>

(1) FY2022 has been restated.

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022 (2)	2023
Revenues:										
Taxes	\$ 9,006,639	\$ 9,396,110	\$ 9,876,440	\$ 10,377,036	\$ 10,978,119	\$ 11,544,075	\$ 11,680,934	\$ 13,858,461	\$ 14,687,295	\$ 15,450,910
Licenses and permits	262,984	498,578	448,147	334,165	678,587	493,986	457,732	348,357	472,179	532,032
Intergovernmental	4,227,472	4,724,006	6,331,596	8,885,956	10,312,785	5,564,601	5,861,118	7,615,144	7,187,817	12,419,690
Charges for services	645,122	747,805	776,663	767,560	1,112,230	1,686,372	1,459,530	1,818,536	2,078,408	2,009,558
Fines and forfeitures	1,368,753	1,247,837	1,427,823	1,242,738	1,153,904	1,363,029	911,432	757,935	1,000,753	916,917
Investment earnings	21,191	20,705	20,953	15,391	87,196	141,518	157,682	61,697	112,735	283,901
Contributions and donations	90,765	61,340	62,343	46,197	48,809	60,473	47,091	36,391	63,674	78,336
Other	111,321	87,290	115,343	98,548	153,847	87,281	168,745	105,377	87,168	157,752
Total revenues	15,734,247	16,783,671	19,059,308	21,767,591	24,525,477	20,941,335	20,744,264	24,601,898	25,690,029	31,849,096
Expenditures:										
Current:										
General Government	2,045,381	2,019,309	2,219,796	2,432,748	3,020,174	2,945,373	2,934,492	4,257,541	3,853,734	3,553,107
Public Safety	4,074,909	4,555,384	5,313,900	5,258,026	5,181,747	6,471,181	6,544,730	7,175,012	7,084,610	6,633,488
Public Works	1,023,966	1,044,454	1,190,492	1,157,841	1,150,732	1,527,108	1,106,906	1,325,957	1,428,692	920,208
Health and Welfare	1,089	1,668	3,640	4,954	540	5,239	651	61,601	-	-
Housing and development	983,906	916,713	1,071,000	1,046,120	1,086,815	1,247,811	1,068,544	1,161,326	1,252,608	1,238,692
Judicial	387,141	410,749	441,673	412,535	385,566	439,560	413,919	415,534	410,178	497,325
Culture and recreation	2,011,917	2,170,214	2,407,869	2,740,808	2,763,983	3,330,133	3,136,054	3,278,708	3,433,194	3,815,263
Capital Projects	7,401,758	8,127,891	7,621,926	6,657,675	9,038,833	16,320,809	3,391,610	3,921,274	5,721,103	10,294,201
Debt Service										
Principal	1,102,000	1,414,334	1,499,675	1,656,146	1,833,735	1,761,658	1,798,815	2,112,747	2,007,417	2,111,273
Interest	908,813	626,858	590,600	700,756	667,707	613,673	675,241	402,891	361,671	319,022
Total Expenditures	19,940,880	21,287,574	22,360,571	22,067,609	25,129,832	34,662,545	21,070,962	24,112,591	25,553,207	29,382,579
Excess (deficiency) of revenues over expenditures	(4,206,633)	(4,503,903)	(3,301,263)	(300,018)	(604,355)	(13,721,210)	(326,698)	489,307	136,822	2,466,517
Other financing sources (uses):										
Transfers in	4,019,221	3,777,573	3,431,166	11,601,700	3,212,578	3,911,896	3,096,087	5,522,137	8,053,530	6,434,574
Transfers out	(2,709,221)	(1,738,055)	(1,607,049)	(8,999,122)	(1,492,211)	(2,045,916)	(1,172,415)	(2,912,055)	(6,487,857)	(6,082,911)
Payment to refunding agent	(5,285,000)	-	-	-	-	-	(5,388,963)	-	-	-
Debt Issued	9,435,000	-	626,947	7,160,000	-	160,962	5,890,000	-	525,317	-
Insurance Reimbursement	-	-	-	-	-	-	134,786	-	19,922	-
Sale of capital assets	743,620	76,048	11,138	8,178	20,835	84,961	340,106	546,133	162,631	125,441
Total other financing sources (uses)	6,203,620	2,115,566	2,462,202	9,770,756	1,741,202	2,111,903	2,899,601	3,156,215	2,273,543	477,104
Extraordinary item	-	-	-	-	-	541,926	-	-	-	-
Total Net change in fund balance	\$ 1,996,987	\$ (2,388,337)	\$ (839,061)	\$ 9,470,738	\$ 1,136,847	\$ (11,067,381)	\$ 2,572,903	\$ 3,645,522	\$ 2,410,365	\$ 2,943,621
Debt service as a percentage of noncapital expenditures (1)	16.3%	15.4%	12.9%	14.6%	14.9%	12.3%	13.4%	12.6%	11.5%	11.9%

NOTES:

- (1) Fiscal Year 2016 percentages have been adjusted and may differ from previously issued reports.
(2) Fiscal Year 2022 has been restated.

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Insurance Premium Tax</u>	<u>Intangible Tax</u>	<u>Alcoholic Beverage Excise Tax</u>	<u>Hotel Motel Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Franchise Fees</u>	<u>Other</u>	<u>Total</u>
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	711,307	11,680,935
2021	8,841,583	1,645,662	183,515	600,837	289,380	42,676	1,507,122	747,685	13,858,461
2022	9,270,460	1,699,627	224,498	620,562	459,656	66,266	1,593,113	753,113	14,687,295
2023	9,856,796	1,826,012	134,232	610,195	500,392	64,603	1,622,742	835,938	15,450,910

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

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)	(2)	Annual Percentage Change	
											Total Taxable Assessed Value	Total Direct Tax Rate		Estimated Actual Value
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%
2020	586,169,744	-	296,009,048	7,223,018	-	-	14,371,643	6,827,670	58,891,271	114,049,246	855,443,148	8.950	2,138,607,870	7.6%
2021	635,481,621	46,328	311,030,835	7,742,430	-	372,608	22,089,520	5,501,988	59,199,743	137,143,976	904,321,097	8.950	2,260,802,743	5.7%
2022	744,387,275	-	313,980,571	7,750,226	-	-	31,262,390	4,952,972	64,169,312	188,442,671	978,060,075	8.950	2,445,150,188	8.2%

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)

Tax Digest Year	Overlapping Rates (1)												Total Overlapping and Direct
	City of Acworth		Cobb County				Cobb County School District			State of Georgia			
	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		
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	
2020	8.950	8.950	8.460	0.130	2.860	11.450	18.900	-	18.900	-	-	39.300	
2021	8.950	8.950	8.460	0.130	2.860	11.450	18.900	-	18.900	-	-	39.300	
2022	8.950	8.950	8.460	-	2.990	11.450	18.900	-	18.900	-	-	39.300	

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.

Source: Cobb County Tax Commissioner's Office.

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

2022				2013			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Soloman Acworth LLC	\$ 19,362,364	1	1.98%	Walmart	\$ 11,970,913	1	2.03%
GEP X Acworth LLC	15,200,000	2	1.55%	WRI Lakeside Marketplace LLC	8,474,640	2	1.43%
Broadtree Walden Ridge LLC	13,400,000	3	1.37%	Walden Ridge Apartments	6,752,000	3	1.14%
Bellsouth Telecom/AT&T Georgia	12,116,115	4	1.24%	Stanton Place Apartments	6,333,200	4	1.07%
Celebration Village Acworth LLC	11,340,899	5	1.16%	Target	5,922,648	5	1.00%
Walmart Real Estate Business Trust	10,487,244	6	1.07%	Monarch at Acworth Crossing LLC	5,400,000	6	0.91%
GA Legacy at Acworth LLC	8,190,080	7	0.84%	Lowes	4,560,000	7	0.77%
Cobblestone Landing LP	7,835,520	8	0.80%	HD Development of Maryland	3,691,756	8	0.63%
WRI Lakeside Marketplace LLC	7,411,200	9	0.76%	Ingles	3,430,608	9	0.58%
Gazebo Park MF Ventures LLC	6,560,000	10	0.67%	Cobblestone Landing	3,428,960	10	0.58%
Total Principal Taxpayers	111,903,422		11.44%		59,964,725		10.15%
All Other Taxpayers	866,156,653		88.56%		530,746,794		89.85%
Total	\$ 978,060,075		100.00%		\$ 590,711,519		100.00%

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

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

Tax Digest Year	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2020	7,663,790	7,580,015	98.91%	3,157	7,583,172	98.95%
2021	8,125,830	8,018,752	98.68%	15,563	8,034,315	98.87%
2022	8,608,452	8,538,451	99.19%	-	8,538,451	99.19%

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: City of Acworth Finance Department.

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

Fiscal Year	Kilowatt Hours Sold All Customer Types	Summer (1)			Winter (2)		
		Base Rate	Tier 1	Tier 2	Base Rate	Tier 1	Tier 2
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
2021	98,904,144	16.00	0.1191	0.1531	16.00	0.1191	0.1131
2022	99,647,633	17.00	0.1203	0.1543	17.00	0.1203	0.1143
2023	96,532,822	28.00	0.1215	0.1559	28.00	0.1215	0.1155

Source : City of Acworth Utility Billing

NOTES:

The rate schedule shown is for the predominant customer base (residential) for Acworth Power. It 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.

(3) Rate changes were effective 1/1/21 , 1/1/22 & 2/1/23

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

2023					2014				
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
Target Stores	Retail	3,046,824	1	3.16%	Target Stores	Retail	3,891,493	1	4.22%
Ingles Markets	Retail	2,764,996	2	2.86%	Ingles Market	Retail	3,644,400	2	3.95%
Solomon-Acworth	Assisted Living	2,284,636	3	2.37%	Bellsouth	Telecommunications	1,622,105	3	1.76%
Celebration	Assisted Living	2,207,431	4	2.29%	NCG Acworth Inc.	Theater	1,573,850	4	1.70%
Bellsouth	Telecommunication	1,600,207	5	1.66%	City of Acworth	Government	1,361,398	5	1.47%
City of Acworth	Government	1,528,372	6	1.58%	Glennecast Inc.	Manufacturing	1,247,840	6	1.35%
Cobb County	Government	1,241,402	7	1.29%	Cobb County Board of Ed.	School District	752,340	7	0.82%
NCG Acworth Inc.	Theater	892,272	8	0.92%	Degussa Construction	Manufacturing	667,360	8	0.72%
Dogwood Forest	Assisted Living	847,411	9	0.88%	Racetrac Petroleum	Retail	657,440	9	0.71%
Glennecast Inc.	Manufacturing	829,915	10	0.86%	Cobb County	Government	635,070	10	0.69%
Total		<u>17,243,466</u>		<u>17.86%</u>			<u>16,053,296</u>		<u>17.39%</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	Revenue Bonds	Intergovernmental Contracts	Certificates of Participation	Installment Sales Agreement	Financed Purchase	(1)	Total Governmental Activities	Revenue Bonds	Financed Purchase	Loans Payable	Total Business-type Activities		
						Tax Allocation Bonds							
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	-	416,734	-	416,734		
2021	11,696,000	125,000	-	2,299,463	76,673	2,400,000	16,597,136	-	242,645	-	242,645		
2022	10,566,000	-	-	2,035,223	568,815	1,945,000	15,115,038	-	122,022	-	122,022		
2023	9,405,000	-	-	1,764,667	359,096	1,475,000	13,003,763	-	75,637	-	75,637		
Total Outstanding Debt								General Bonded Debt					
Fiscal Year	Governmental Activities	Business-type Activities	Total Primary Government	(2) Personal Income	(2) Percentage of Personal Income	(2) Per Capita	(2) Population	Total Primary Government	Resources Restricted for Repayment of Debt	Net Primary Government	Estimated Actual Value of Taxable Property (6)	(3) Percentage of Estimated Actual Value of Taxable Property	(2) Per Capita
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
2021	16,597,136	242,645	16,839,781	681,782,000	2.47%	744	22,625	11,696,000	-	11,696,000	2,138,607,870	0.55%	517
2022	15,115,038	122,022	15,237,060	709,325,408	2.15%	660	23,078	10,566,000	-	10,566,000	2,260,802,743	0.47%	458
2023	13,003,763	75,637	13,079,400	699,240,960	1.87%	586	22,320	9,405,000	-	9,405,000	2,445,150,188	0.38%	421

NOTES:
(1) Tax Allocation Bonds - Debt Service is paid by the tax increment received from within the tax allocation district.
(2) See economic and demographic schedule for population and personal income information.
(3) See taxable assessed value schedule for estimated actual value.

CITY OF ACWORTH, GEORGIA
DIRECT, OVERLAPPING AND GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>(1) Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Overlapping Debt:			
Debt repaid with property taxes			
Cobb County General Obligation Debt	\$ -	2.31%	\$ -
Cobb County School District	-	2.31%	-
Other Debt			
Cobb - Revenue Bonds	381,355,000	2.31%	8,814,167
Cobb County Revenue Anticipation Certificates	4,485,000	2.31%	<u>103,661</u>
Subtotal, overlapping debt			8,917,827
City direct debt:			
Direct Governmental Activities Debt (2)			<u>13,003,763</u>
Total direct and overlapping debt			<u>\$ 21,921,590</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, 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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross Assessed Value	\$606,256,908	\$ 627,791,791	\$ 665,499,580	\$ 709,983,165	\$ 773,285,237	\$ 832,566,350	\$ 886,803,176	\$ 969,492,394	\$ 1,041,465,073	\$ 1,166,502,746
Legal Debt Margin										
Debt Limit: 10 percent of assessed value	60,625,691	62,779,179	66,549,958	70,998,317	77,328,524	83,256,635	88,680,318	96,949,239	104,146,507	116,650,275
Total net debt applicable to limit (1)	14,920,000	13,890,666	13,412,938	19,321,792	17,903,057	16,475,647	15,342,698	13,995,463	12,601,223	11,169,667
Legal Debt Margin	\$ 45,705,691	\$ 48,888,513	\$ 53,137,020	\$ 51,676,525	\$ 59,425,467	\$ 66,780,988	\$ 73,337,620	\$ 82,953,776	\$ 91,545,284	\$ 105,480,608
Total net debt applicable to the limit as a percentage of debt limit	24.61%	22.13%	20.15%	27.21%	23.15%	19.79%	17.30%	14.44%	12.10%	9.58%

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 Allocation District bonds have been omitted from this schedule.

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

Legal Debt Margin Calculation for Fiscal Year 2023

Total Taxable Assessed Value	\$ 978,060,075
Add back: exempt real property	<u>188,442,671</u>
Total assessed value	\$ 1,166,502,746
Debt limit (10% of total assessed value)	116,650,275
Debt applicable to limit	11,169,667
Less: Resources restricted to paying principal	<u>-</u>
	<u>11,169,667</u>
Legal debt margin	<u>\$ 105,480,608</u>

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

Tax Allocation Bonds						
Fiscal Year	Tax Increment Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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%
2021	833,221	-	833,221	445,000	66,612	163%
2022	724,715	-	724,715	455,000	55,182	142%
2023	708,859	-	708,859	470,000	43,434	138%

NOTES:

- (1) Includes interest income. FY2014 differs 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**

Fiscal Year	(1) Population	(2) Personal Income (amounts expressed in thousands)	(3) Per Capita Personal Income	(4) School Enrollment	Education Level in Years of Schooling	(5) Median Age	(6) Unemployment Rate
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%
2021	22,625	681,782	30,134	6,700	*	36	2.6%
2022	23,078	709,325	30,736	6,434	*	35	3.4%
2023	22,320	699,241	31,328	6,577	*	36	2.9%

* Information not available

NOTES:

- (1) Source: Acworth Economic Development Estimates
- (2) Personal Income is derived by multiplying population statistics by Per Capita Income.
- (3) Source: Acworth Economic Development Estimates
- (4) Source: Cobb County Board of Education, North Cobb Christian School, Brookwood Christian School and Cornerstone Prep Academy
- (5) Source: Acworth Economic Development Estimates
- (6) Source: Acworth Economic Development Estimates

CITY OF ACWORTH, GEORGIA
PRINCIPAL EMPLOYERS
2023 and 2014
(unaudited)

2023				2014			
Employer	Number of Employees	Rank	Percentage of Total City Employment	Employer	Number of Employees	Rank	Percentage of Total City Employment
Cobb County School System	536	1	5.38%	Cobb County School System	585	1	8.28%
Walmart Super Center #3748	351	2	3.52%	Walmart Super Center #3748	312	2	4.42%
Walmart Super Center #3471	339	3	3.40%	Walmart #3471	246	3	3.48%
City of Acworth	225	4	2.26%	Target	184	4	2.61%
United Parcel Services, Inc.	225	5	2.26%	Home Depot	174	5	2.46%
Home Depot	223	6	2.24%	North Cobb Christian School	159	6	2.25%
Target	214	7	2.15%	City of Acworth	146	7	2.07%
North Cobb Christian School	196	8	1.97%	Kohl's Department Store	140	8	1.98%
Lowe's	144	9	1.44%	Lowe's Home Centers	117	9	1.66%
Publix	132	10	1.32%	Day's Chevrolet	107	10	1.52%
Total Principal Employers	2,585		25.93%		2,170		30.73%
Other Employers	7,383		74.07%		4,891		69.27%
Total Employers	9,968		100.00%		7,061		100.00%

Source: City Occupational Tax Department

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

Function/Program	2014	2015	2016	2017 (2)	2018	2019	2020	2021	2022	2023
General Government										
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	3	4	4	4	5	6
Finance	4	4	4	5	5	5	5	5	4	4
Information Systems	2	2	2	2	2	2	2	2	4	4
Human Resources	0	0	0	0	2	2	2	2	2	3
Building Maintenance	0	0	0	2	5	5	6	6	6	6
Customer Service (1)	7	7	9	8	8	7	8	7	8	8
Total General Government	24	24	26	28	31	31	33	32	35	37
Judicial										
Municipal Court	3	3	3	3	3	3	3	3	3	3
Public Safety (1)										
Police	40	40	44	43	44	46	45	44	54	50
Support Staff	3	4	4	4	4	6	5	6	4	6
Detention/Jail (3)	10	13	15	16	15	15	16	12	0	0
Total Public Safety	53	57	63	63	63	67	66	62	58	56
Public Works										
Public Works	10	10	11	10	10	12	10	12	12	10
Culture & Recreation										
Culture and Recreation	17	21	22	24	24	25	24	25	22	26
Housing and Development										
Economic Development (1)	1	1	1	1	1	0	0	0	1	1
Community Development (1)	2	2	2	3	3	3	2	4	2	3
Zoning	0	0	0	0	0	0	0	0	1	0
Soil Erosion	1	1	1	1	1	1	1	1	1	0
Building	4	4	4	4	4	4	4	4	3	2
Code Compliance	0	0	0	0	0	0	0	0	1	1
Total Housing and Development	8	8	8	9	9	8	7	9	9	7
Electrical Power										
Electrical Power	14	15	17	17	17	17	16	16	17	17
Sanitation										
Sanitation	17	16	18	18	16	14	14	12	14	13
Storm Water										
Storm Water	0	0	0	0	0	0	0	0	0	2
Total	146	154	168	172	173	177	173	171	170	171

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 reports will differ.
- (3) Detention/Jail operations were suspended on June 30, 2022.

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

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Business Licenses Issued	901	885	898	917	920	934	956	972	1,083	1,017
Purchase Orders Issued	2,436	3,087	3,510	3,717	3,856	3,811	3,264	3,400	3,857	4,656
Public Safety										
Physical arrests	1,474	1,456	1,592	1,355	1,496	1,440	1,296	832	1,160	881
Parking violations	238	391	106	351	502	265	309	379	556	261
Traffic violations	7,026	6,549	7,765	7,625	5,146	6,320	5,401	3,905	7,569	4,694
Parks and Recreation										
Summer Camp Participants	130	120	140	140	140	240	40	132	514	384
Concerts / Movies	4	4	3	1	2	5	1	4	4	7
Youth Basketball Participants	405	452	463	470	447	443	498	277	448	399
Housing and Development										
Building Code Permits Issued	158	273	181	110	235	277	165	645	234	177
Other Code Permits Issued	483	999	652	466	447	695	557	643	614	573
Total Code Inspections Conducted	2,646	2,453	3,461	1,468	2,714	3,809	1,542	1,620	1,787	2,157
Plan Reviews Conducted	22	8	15	110	191	164	257	136	172	130
Sanitation										
Refuse collected (tons)	8,292	8,075	8,103	8,469	8,309	8,814	9,486	9,592	9,234	8,235
Sanitation Customers - Residential	6,488	6,564	6,784	6,875	6,955	7,082	7,127	7,253	7,546	7,472
Power										
Kilowatt hours sold	92,310,033	95,240,176	95,543,435	99,084,205	97,490,363	100,250,686	99,861,313	98,904,144	99,647,633	96,532,822
Electrical Power Customers	6,325	6,334	6,389	6,337	6,512	6,531	6,688	6,749	7,004	7,078

Sources: Various City Departments

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

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	47	50	63	63	65	69	67	65	75	76
Sanitation										
Collection trucks	6	6	8	6	6	6	6	6	6	6
Highways and streets										
Streets (miles)	172	179	181	181	182	178	178	178	179	179
Streetlights (2)	1,422	1,451	1,529	1,529	1,581	2,291	2,291	2,302	2,317	2,345
Culture and recreation (1)										
Park acreage	542	542	545	545	545	545	545	546	546	546
Parks	13	13	13	13	13	13	13	14	14	14
Beaches	4	4	4	4	4	4	4	4	4	4
Football Fields	2	2	3	3	3	3	3	3	3	3
Baseball Fields	12	12	12	12	12	12	12	12	12	12
Community Centers	2	2	2	2	2	4	4	4	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	100.7	100.7	102.9	103.9	104.4

NOTES:

(1) Classification of Parks and Community Centers revised in 2014 - This information will differ from previously issued reports.

(2) Beginning in 2019, Street Light count includes both public street lights and rental security lights maintained by the City.

Sources: Various City Departments

COMPLIANCE SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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

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, 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 13, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Nichols, Cauley + Associates, LLC

Kennesaw, Georgia
December 13, 2023

**CITY OF ACWORTH, GEORGIA
HOTEL/MOTEL TAX
SCHEDULE OF REVENUE RECEIVED AND EXPENDITURES INCURRED
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Revenues			Expenditures		
Prior Years	Current Year	Total	Prior Years	Current Year	Total
\$4,942,585	\$500,392	\$5,442,977	\$4,942,585	\$500,392	\$5,442,977

* 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, 2023

	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
<u>Recreational Impact Fee Collections</u>	\$ 2,185,260	\$ 15,500	\$ 2,200,760
Other Funding Sources			
Interest	50,485	2,485	52,970
Local Funding	134,229	-	134,229
Grants/Contributions	46,262	-	46,262
Total Funding - All Sources	2,416,236	17,985	2,434,221
<u>Fund Uses</u>			
<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	333,524	258,523	1,800
Community Center	101,000	101,000	-
Total Uses - All Funding Sources	2,327,103	1,800	2,327,103
Fees Encumbered	-	105,318	105,318
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, 2023

Project	Original Estimated Cost	Revised Estimated Cost (1)	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2016 SPLOST Program:						
Road Improvement Projects	\$ 12,583,827	\$ 15,712,631	\$ 11,666,803	\$ 1,570,420	\$ 13,237,223	84.25%
Judicial	25,000	24,750	24,750	-	24,750	100.00%
Parks Projects (2)	6,550,000	18,002,434	16,587,832	47,661	16,635,493	92.41%
Public Safety Projects	2,050,000	3,677,471	2,882,840	90,937	2,973,777	80.86%
	<u>\$ 21,208,827</u>	<u>\$ 37,417,286</u>	\$ 31,162,225	\$ 1,709,018	\$ 32,871,243	
		Debt Service Expenditures	1,025,094	-	1,025,094	
			<u>\$ 32,187,319</u>	<u>\$ 1,709,018</u>	<u>\$ 33,896,337</u>	
2022 SPLOST Program:						
Road Improvement Projects	\$ 17,905,000	17,437,329	\$ -	\$ 1,787,636	\$ 1,787,636	10.25%
Facility Improvement Projects	1,390,517	1,565,617	-	1,555,051	1,555,051	99.33%
Parks Projects	2,250,000	2,250,000	186,162	-	186,162	8.27%
Public Safety Projects	2,515,000	2,807,571	534,826	60,983	595,809	21.22%
	<u>\$ 24,060,517</u>	<u>\$ 24,060,517</u>	\$ 720,988	\$ 3,403,670	\$ 4,124,658	
		Debt Service Expenditures	-	175,107	175,107	
			<u>\$ 720,988</u>	<u>\$ 3,578,777</u>	<u>\$ 4,299,765</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.