



DOUGLASVILLE

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL
YEAR ENDED JUNE 30, 2020**

CITY OF DOUGLASVILLE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

Prepared By:
Karin E. Callan, CPA
Director of Finance

INTRODUCTORY SECTION

CITY OF DOUGLASVILLE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Rochelle Robinson
Mayor

Marcia Hampton
City Manager

Vicki L. Acker
City Clerk



CITY COUNCIL
Mark Adams
Dr. LaShun Burr-Danley
Sam Davis
Howard M. Estes
Nycole N. Miller
Terry S. Miller
Coach Chris Watts

December 30, 2020

To Honorable Mayor, members of the Governing Council and the Citizens of Douglasville, Georgia:

The Comprehensive Annual Financial Report of the City of Douglasville, Georgia (the "City"), for the fiscal year ended June 30, 2020, is hereby submitted as mandated by both local and state government. These ordinances and statutes require that the City issue annually a report on its financial position and activity, and that this report is audited by an independent firm of certified public accountants. This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain the maximum understanding of the City of Douglasville, Georgia's financial affairs are included.

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. MD&A complements this letter of transmittal and should be read in conjunction with it.

The financial reporting entity for the City of Douglasville includes all funds of the primary government, the City of Douglasville. The City provides a full range of services including police, the construction and maintenance of streets and infrastructure, recreational activities and cultural events, and sanitation.

Component units are legally separate entities for which the primary government is financially accountable. The City considers all potential component units for inclusion in these financial statements because of significant operational or financial relationships as required by generally accepted accounting principles. For the fiscal year ended June 30, 2020, the City has three component units: the Douglasville Convention and Conference Center Authority, the Douglasville Public Purpose Corporation, and the Downtown Development Authority. The Douglasville Convention and Conference Center Authority and the Douglasville Public Purpose Corporation are presented as blended component units and are presented as special revenue funds. The Douglasville Development Authority is a discretely presented component unit. For additional information, see "NOTE 1.A" of the Notes to the Financial Statements.

DOUGLASVILLEGA.GOV

Profile of the Government

The City of Douglasville was created in 1937 and operates under an elected Mayor/Council form of government. The City is strategically located west of the I-285 perimeter on I-20. Douglasville is the largest city in Douglas County, one of the fastest-growing counties in the State of Georgia. The City's major operations include public safety, culture-recreation, highways and streets, sanitation, planning and zoning, and general administrative services.

The City has entered into an agreement with Douglas County to provide fire protection, E-911 services, animal control services, and the billing and collection of ad valorem taxes. The City also contracts with the county to provide housing/jailing of prisoners.

The City handles residential and commercial garbage pickup. The City contracts with the Water and Sewer Authority to provide residential billing and collections.

Local Economy

Based on the projection from the Atlanta Regional Commission, the city of Douglasville has a population of 33,210. Douglasville is prime for future economic development, given its strategic location. I-20 Interstate runs through Douglas County with 5 interchanges. It is 20 miles from Hartsfield Jackson International Airport, and it is 20 miles from downtown Atlanta. The infrastructure improvements completed over the past several years only emphasize the additional economic possibilities for Douglasville.

In September 2008, the City reactivated the Douglasville Development Authority to provide the services of business recruitment, business retention, and expansion, target Industry development, national and international marketing, building, and site selection among others. This Government is pro-business with a skilled workforce and a great location. Douglasville is an excellent choice for companies seeking to grow their operations, increase productivity, and reduce operating expenses, ensuring a strong economic environment for the government.

In November 1999, Arbor Place Mall opened on Douglas Boulevard near Interstate 20 at Chapel Hill Road. Since that time numerous banks, restaurants, and major retail stores have opened on Douglas Boulevard and in the same area.

Long Term Financial Planning

Unassigned fund balance in the General Fund falls within the guidelines set by the Council. A resolution was adopted to maintain a \$2.5 million fund balance; however, there is a recommendation by the City Council not to go below three months of operating expense. As of June 2020, 3 months of reserve needed is \$9,073,962. The total unassigned fund balance is \$15,357,559.

As in the previous year, fiscal year 2019-2020 has been marked by numerous improvements in service delivery and infrastructure, which will enhance the quality of life for the City's residents.

During the end of fiscal year 2012 and the early part of 2013 the City and the County governments negotiated and agreed on Local Option Sales tax for the next decade. The City's share increased. The percentage the City received in January of 2017 increased from 26.29% to 27.43%. Currently, every 1% is equivalent to \$250,000. The City's percentage will increase over the next ten years. It was negotiated on a sliding scale to allow time for the County Government to adjust their budget accordingly. The percentage of the 1 % LOST (Local Option Sales Tax) that the City receives over the next 9 years (on a calendar year) are as follows:

2014	24.75%
2015	25.50%
2016	26.29%
2017	27.43%
2018	28.57%
2019	28.57%
2020	28.57%
2021	28.57%
2022	28.57%

The 1% L.O.S.T. (Local Option Sales tax) is split between the City of Douglasville, Douglas County, Villa Rica, and Austell.

Although the City is collecting more Local Option Sales tax, which results in less tax revenue to Douglas County, the City and the County have completed the service delivery agreement in which the City has increased cost for paying Fire Services and Animal Control. The City had to raise the millage rate to cover the cost of Fire Services and Animal Control.

A new L.O.S.T agreement must be completed by December 2022.

The City continues to operate the Convention and Conference Center with a three-story parking deck. The facility is 38,000 square feet which includes the largest ballroom on the west side of metro Atlanta, and which has various other meeting and event rooms that feature state of the art equipment. The City collects an 8% hotel/motel tax which is allocated to the operations of the Conference Center. The City also receives rental car tax revenue. This tax revenue will also pay a portion of the debt service allocated to the parking deck. The parking deck is enjoyed by citizens that visit downtown Douglasville. The COVID-19 pandemic has hurt the tourism industry and therefore the Hotel/Motel tax and rental car tax have seen a decline through the last quarter of the fiscal year.

The City took over West Pines Golf Course in August of 2012. West Pines Golf Course is now operated by the City Government. It was previously operated by a management company that was paid a monthly management fee. The Management Company did not have the resources to make improvements to keep the Golf Course maintained properly. The Golf Course is now a division with the Parks and Recreation Department. The staff that was working for the Management Company continues to work for the City. The transition from an operations standpoint was seamless. The City appropriated the necessary funds to make the needed improvements. The City continues to make improvements to the course and West Pines Golf Club continues to see an increase in business despite the ongoing pandemic by providing citizens and customers a safe place to enjoy the outdoors while also social distancing. The green conversion of 2017 and the new Golf Performance Center

(completed in the spring of 2020) continue to receive rave reviews from patrons coming from Douglasville as well as the surrounding area. Looking forward, West Pines will undertake a course-wide bunker renovation in the spring of 2021 that is sure to continue this positive momentum.

Major Initiatives:

The Federal Highway Administration has approved the Highway 92 overpass project and the Georgia Department of Transportation has assumed responsibility for implementation. This is an extremely important north-south artery through Douglasville. Phase 1 is the construction of a railroad grade separation, with the relocated six-lane Georgia Highway 92 to cross under U. S. Highway 78 (Bankhead Highway) and East Strickland Street. Phase 2 will expand the road's capacity along a relocated route between Fairburn Road to U. S. 78, and Phase 3 will do the same between U. S. 78 and Dallas Highway. It has been announced by Congressman David Scott, The Georgia Department of Transportation, and the Atlanta Regional Commission that construction of the HWY 92 project would begin in 2014. The City of Douglasville has spent over \$3 million over the past decade on preliminary engineering and environmental assessments. During the past two years, \$43 million has been spent on the right of way acquisition, and utility costs total some \$ 65.5 million. All costs of this project will be more than \$111 million. This project has officially started construction and is due to be complete in 2021.

Because of the relocation of highway 92, Jesse Davis Park is now visible from the street. Following the 2019 restroom renovation, the Alice J. Minor Hawthorne Recreation Center located at Jessie Davis Park has had a complete upgrade throughout the entire facility. Utilizing SPLOST funds, the gymnasium floor underwent resurfacing, vinyl flooring was added throughout the facility, and complete renovation was done to the kitchen. In addition to the upgrades made to the Hawthorne Community Center, the outdoor basketball courts were completely renovated with an updated court and basketball goals. Collectively these projects will provide residents and visitors of Jessie Davis Park an enhancement that is beneficial to all.

In November of 2016, a SPLOST referendum was passed which is projected to yield the City of Douglasville at an estimated \$37,000,000 in revenue. The collected revenue is divided as follows: 20% Public Safety, 45% Transportation, 15% Facilities, and 15% Parks and Recreation. The SPLOST was a 6-year SPLOST and will end in March 2023.

The City of Douglasville Development Authority has initiated several economic development projects which will result in a projected \$210 million and 900 new jobs for the City. This includes McMaster-Carr, Gordon Foods, Tremron, Kehe, and a new addition to Med-line. In addition, the Douglasville City Council changed the zoning ordinance to better facilitate the growth of the motion picture industry. The City of Douglasville Development Authority will continue to focus on business retention and expansion.

Another initiative the City is working on is the Comprehensive Plan. The key assets that were identified are Downtown Douglasville, Arbor Place Mall, economic amenities and infrastructure, natural resources, location, medical services, higher education for senior services, the people, historic preservation and technical education. Challenges included workforce development, an aging population, balanced growth, redevelopment, transportation, government coordination, and business development.

Service Delivery Strategy Plan required by state law will frame the way services are provided between the City of Douglasville and Douglas County.

During 2014 the City and Google worked together to form a public-private partnership. Google has provided WIFI which covers 67 acres in Douglasville. The concentration of WIFI is in the City Parks and the downtown area.

The County built a new jail in 2016 and vacated the property. The City purchased the property from the Douglas County government. The city razed the old jail and cleared the property. This intended use for this property is to build a City Town Green and amphitheater. The project is currently in the design phase.

FINANCIAL INFORMATION

Accounting System Internal Controls. The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

As a recipient of federal, state, and county financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to federal assistance programs. This internal control structure is subject to periodic evaluation by the management of the City.

Budgeting Controls In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds, and Enterprise Fund are included in the annual appropriated budget. Project length financial plans are adopted for the Capital Project funds. The level of budgetary control, being the level at which expenditures cannot legally exceed the appropriated amount is established by the department within an individual fund.

The financial policies of the City did not have a significant impact on the current financial statements.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

AWARDS AND ACKNOWLEDGEMENTS

Independent Audits. State statutes require an annual audit by independent certified public accountants. The firm of Mauldin & Jenkins was selected by the City to perform audit services. 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 and combining and individual fund statements and schedules are included in the financial section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Douglasville for its Comprehensive Annual Financial Report for the year ended June 30, 2019. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement program requirements. This report satisfies both generally accepted accounting principles and applicable legal requirements, and we are submitting it to GFOA.

Acknowledgements. The preparation of the comprehensive annual financial report, on a timely basis, could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to each member of the department who assisted and contributed to the preparation of this report. Due credit also should be given to the Mayor and the governing council for their interest and support in planning and conducting the operations of the City of Douglasville in a responsible and progressive manner. Everyone has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



Marcia Hampton
City Manager



Karin E. Callan, C.P.A.
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Douglasville
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF DOUGLASVILLE, GEORGIA

LISTING OF PRINCIPAL OFFICIALS

June 30, 2020

Mayor

Rochelle Robinson

City Manager

Marcia Hampton

Council Members

Ward 1, Mayor Pro Tem

Terry S. Miller

Ward 2, Post 1

Nycole Miller

Ward 2, Post 2

Mark Adams

Ward 3, Post 1

LaShun Burr Danley

Ward 3, Post 2

Samuel Davis

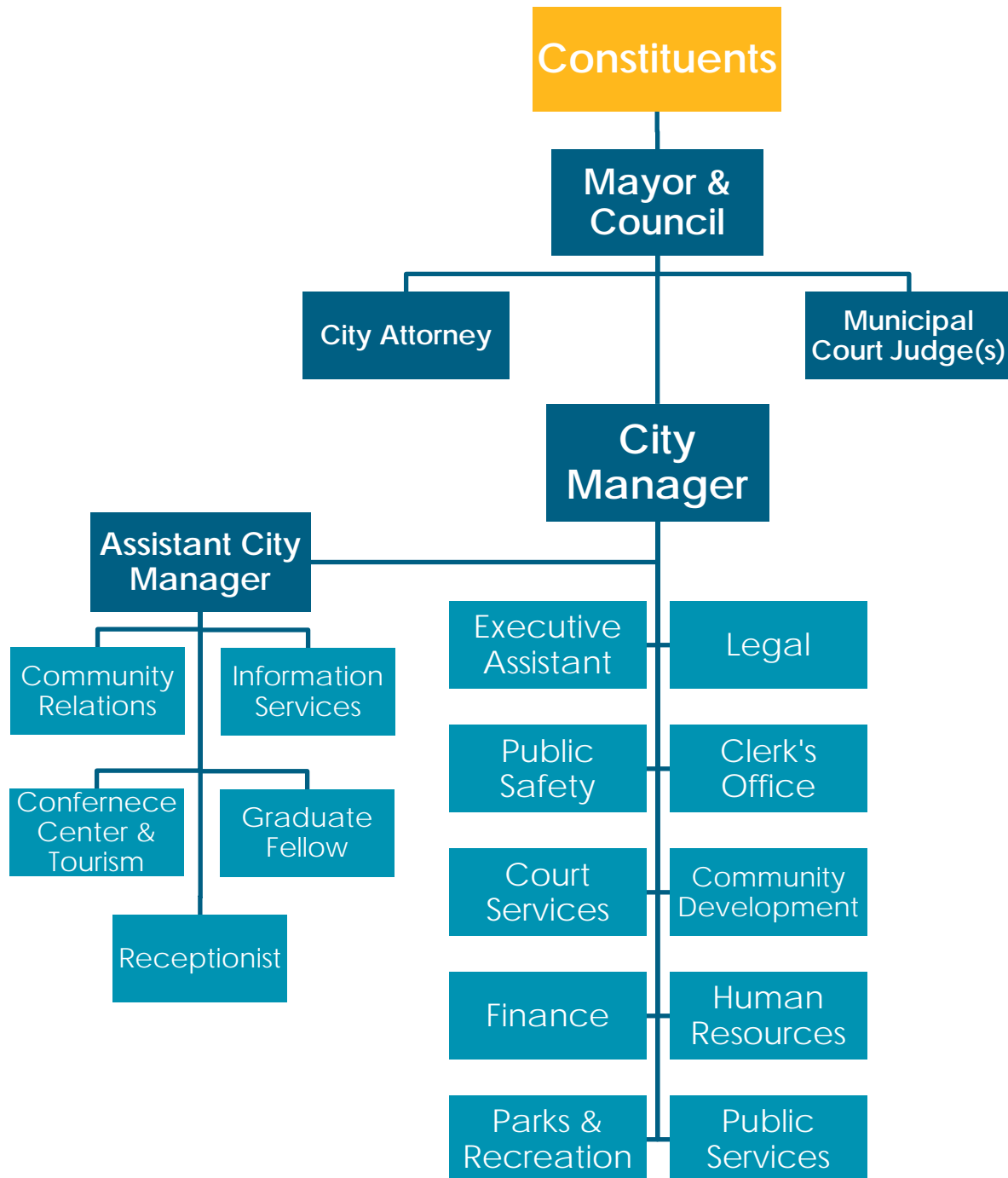
Ward 4

Chris Watts

Ward 5

Howard Estes

ORGANIZATION CHART



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members
of City Council
City of Douglasville, Georgia**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4-15), General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, Schedule of Changes in the City's Net Pension Liability and Related Ratios, Schedule of City Pension Contributions, and the Schedule of Changes in the City's Total OPEB Liability and Related Ratios (on pages 61-67) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia Annotated §48-8-121, and the introductory and statistical sections, as listed in the table of contents, 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 and the schedule of expenditures of special purpose local option sales tax proceeds 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 and the schedule of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 30, 2020



Management’s Discussion and Analysis

As management of the City of Douglasville, Georgia, we offer readers of the City of Douglasville’s financial statements this narrative overview and analysis of the financial activities of the City of Douglasville for the fiscal year ended June 30, 2020. We encourage readers to read the information presented herein conjunction with additional information that we have furnished in the City’s financial statements, which follow this narrative.

Financial Highlights

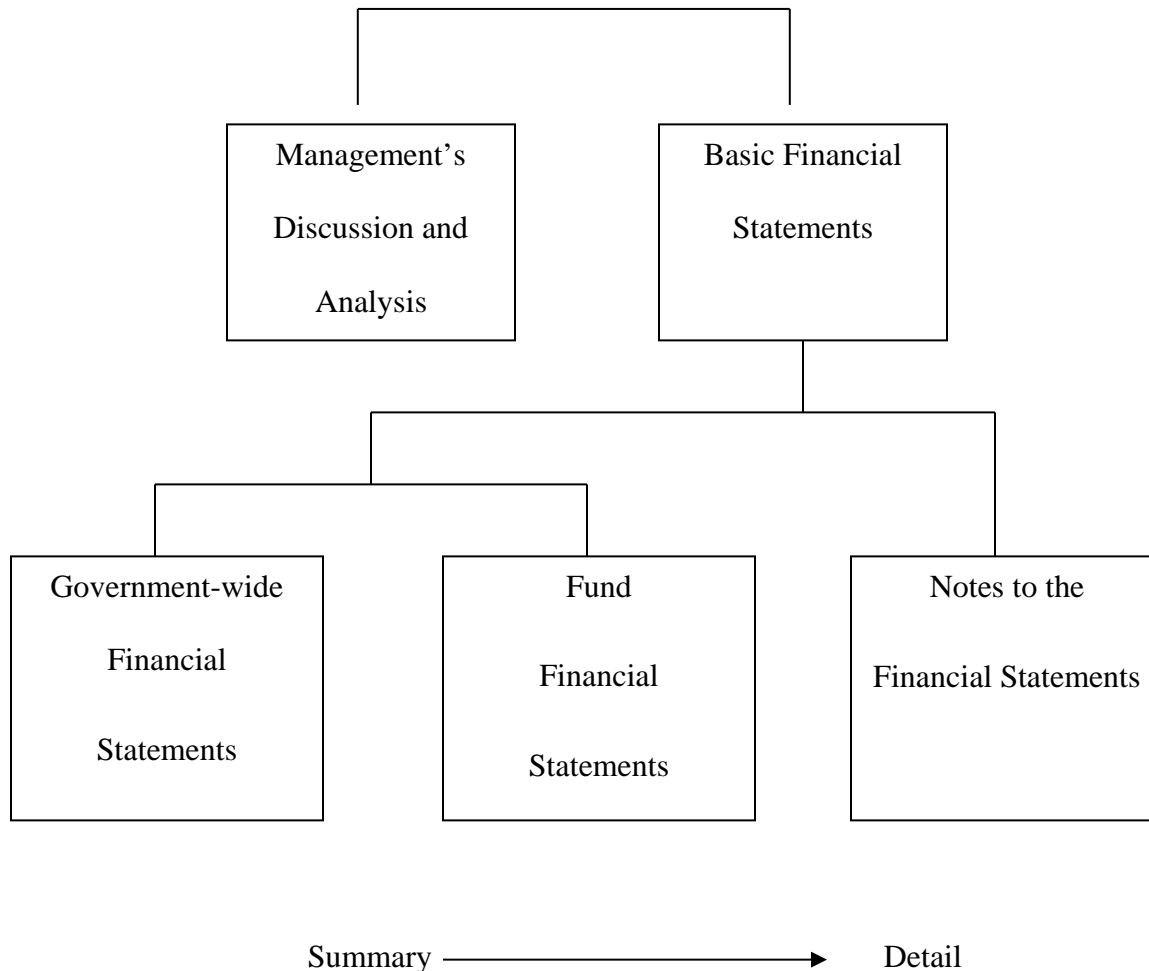
- The assets and deferred outflows of resources of the City of Douglasville exceeded its liabilities and deferred inflows of resources at the end of the fiscal year. This amount includes \$85,237,162 net investment in capital assets, restricted portion of \$8,548,665 and unrestricted net position at a negative \$12,008,444.
- The government’s total net position increased by \$5,880,773 as a result of fiscal year 2020 operations.
- As of the close of the current fiscal year, the City of Douglasville’s governmental funds reported combined ending fund balances of \$26,931,553 an increase of \$159,582 in comparison with the prior year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$15,357,559, or 50% of total general fund expenditures for the fiscal year.
- The City of Douglasville’s Government wide debt (bonds and capital leases) decreased by \$1,918,080.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Douglasville’s (the “City”) basic financial statements. The City’s basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader’s understanding of the financial condition of the City of Douglasville.

Required Components of the Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (pages 16 and 17) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements (pages 18-25) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the proprietary fund statements; and 3) the agency fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements, the Statement of Net Position and the Statement of Activities, are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how they have changed. Net position is the difference between the City's total assets and deferred outflows of resources, and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the City's basic services such as public safety, parks and recreation, and general administration. Property and sales taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the City charges customers to provide. These include the sanitation services offered by the City. The government-wide financial statements are on pages 16 and 17 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Douglasville, like all other governmental entities in Georgia, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City of Douglasville can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Douglasville maintains the following individual governmental funds. The Major Funds which are presented separately are: General Fund and the 2016 SPLOST Fund. The funds that are presented as combined in the Other Governmental Funds column are: Multiple Grant Fund, Hotel/Motel Tax Fund, Rental Car Excise Tax Fund, Public Purpose Corporation Fund, GEMA Flood Fund, Confiscated Assets Fund, Conference Center Fund, and a Debt Service Fund. Separate

information about the Other Governmental funds can be found in the combining statements in the report on pages 68 and 69.

The City of Douglasville adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Council; 2) the final budget as amended by the Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – Proprietary funds are activities that a City operates similar to a business in that it attempts to recover costs through charges to the user. The City of Douglasville has only one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Douglasville uses enterprise funds to account for its sanitation operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 26-60 of this report.

Government-Wide Financial Analysis

The City of Douglasville's Net Position Figure 2

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The total assets and deferred outflows of resources of the City of Douglasville exceeded total liabilities and deferred inflows of resources by \$81,777,383 as of June 30, 2020. The City's net position increased by \$5,880,773 for the fiscal year ended June 30, 2020.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 29,748,744	\$ 30,295,673	\$ 2,423,360	\$3,928,892	\$ 32,172,104	\$ 34,224,565
Capital assets	106,584,153	103,473,347	8,949,858	4,565,218	115,534,011	108,038,565
Total assets	<u>136,332,897</u>	<u>133,769,020</u>	<u>11,373,218</u>	<u>8,494,110</u>	<u>147,706,115</u>	<u>142,263,130</u>
Deferred outflows of resources	<u>7,946,884</u>	<u>3,473,100</u>	<u>285,107</u>	<u>181,161</u>	<u>8,231,991</u>	<u>3,654,261</u>
Long-term liabilities outstanding	61,645,433	56,659,615	781,025	267,282	62,426,458	56,926,897
Other liabilities	6,496,491	6,836,647	504,706	411,968	7,001,197	7,248,615
Total liabilities	<u>68,141,924</u>	<u>63,496,262</u>	<u>1,285,731</u>	<u>679,250</u>	<u>69,427,655</u>	<u>64,175,512</u>
Deferred inflows of resources	<u>4,678,002</u>	<u>5,583,837</u>	<u>55,066</u>	<u>261,432</u>	<u>4,733,068</u>	<u>5,845,269</u>
Net investment in capital assets	76,525,370	71,101,881	8,711,792	4,565,218	85,237,162	75,667,099
Restricted	8,548,665	8,695,528	-	-	8,548,665	8,695,528
Unrestricted	(13,614,180)	(11,635,388)	1,605,736	3,169,371	(12,008,444)	(8,466,017)
Total net position	<u>\$ 71,459,855</u>	<u>\$ 68,162,021</u>	<u>\$ 10,317,528</u>	<u>\$7,734,589</u>	<u>\$ 81,777,383</u>	<u>\$ 75,896,610</u>

The largest portion of net position is the City's investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure); less any related debt still outstanding that was issued to acquire those items. The City of Douglasville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Douglasville's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the City of Douglasville's net position represents resources that are subject to external restrictions (11%) on how they may be used. There was a decrease of \$146,863 in restricted net position in connection with the City of Douglasville's Governmental Activities. This decrease is due to a restriction of funds for capital projects, offset by increases in restrictions for the promotion of tourism, law enforcement, and debt service.

For governmental activities, the City reported a negative balance of \$13,614,180 in unrestricted net position. This increase of \$1,978,792 is from the decrease in net position from Governmental Activities.

The general fund reported a positive balance of \$15,357,559 in unassigned fund balance. Unassigned fund balance represents the spendable resources available for governmental activities, without externally enforceable limitation. The major contributing factors to the differences between unassigned fund balance and unrestricted net position is the exclusion of long-term debt and capital asset balances which are not part of the current financial resources measurement focus presentation required of governmental funds.

There was an increase of \$2,582,939 in connection with the City's business-type activities. This increase is primarily due to donated capital assets. There has not been any rate increases or any unusual funding source.

Governmental Activities. Governmental activities increased the City's net position by \$3,297,834 thereby accounting for 56% of the total increase in the net position of the City of Douglasville. Key elements of this change are as follows:

- Property Taxes for the General Fund and Debt Service Fund increased a net amount of \$513,524 over the prior year due to a millage rate increase.
- Local Option Sales Taxes increased \$382,589 over the prior year which was due to a onetime payment from the Georgia Department of Revenue as a result of an audit.
- Insurance Premium Taxes increased \$139,079 over the prior year.
- Occupational Taxes increased \$107,551 over the prior year.
- Interest on investments decreased \$47,661 from the prior year.
- Hotel / Motel taxes decreased \$437,424 from the prior year due to the negative effects of COVID-19 on the tourism industry.

City of Douglasville Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 6,896,617	\$ 7,639,544	\$ 4,683,009	\$ 4,603,302	\$ 11,579,626	\$ 12,242,846
Operating grants and contributions	366,671	489,693	-	-	366,671	489,693
Capital grants and contributions	10,333,367	11,132,780	4,271,118	3,351,119	14,604,485	14,483,899
General revenues:						
Property taxes	13,125,830	12,612,306	-	-	13,125,830	12,612,306
Sales taxes	8,082,143	7,718,366	-	-	8,082,143	7,718,366
Other taxes and miscellaneous	7,847,344	7,920,208	-	-	7,847,344	7,920,208
Unrestricted investment earnings	320,383	368,044	90,877	108,642	411,260	476,686
Gain (loss) on sale of capital assets	-	27,630	-	-	-	27,630
Total revenues	46,972,355	47,908,571	9,045,004	8,063,063	56,017,359	55,971,634
Expenses:						
General government	12,381,071	12,155,560	-	-	12,381,071	12,155,560
Judicial	797,065	750,348	-	-	797,065	750,348
Public safety	14,957,786	12,532,675	-	-	14,957,786	12,532,675
Public works	8,270,801	6,953,668	-	-	8,270,801	6,953,668
Housing and development	1,874,376	1,979,936	-	-	1,874,376	1,979,936
Culture and recreation	6,194,551	4,612,966	-	-	6,194,551	4,612,966
Interest on long-term debt	965,032	951,819	-	-	965,032	951,819
Sanitation services	-	-	4,695,904	4,758,192	4,695,904	4,758,192
Total expenses	45,440,682	39,936,972	4,695,904	4,758,192	50,136,586	44,695,164
Increase in net position						
before transfers	1,531,673	7,971,599	4,349,100	3,304,871	5,880,773	11,276,470
Transfers	1,766,161	1,427,144	(1,766,161)	(1,427,144)	-	-
Change in net position	3,297,834	9,398,743	2,582,939	1,877,727	5,880,773	11,276,470
Net position - beginning	68,162,021	58,763,278	7,734,589	5,856,862	75,896,610	64,620,140
Net position - ending	\$ 71,459,855	\$ 68,162,021	\$ 10,317,528	\$ 7,734,589	\$ 81,777,383	\$ 75,896,610

The most significant expenses are for Public Safety for \$14,957,786 representing 33% of the total governmental expenses. Public Safety increased by \$2,425,111 primarily attributable to increase in personal services and capital outlay increases from prior year. The increases to personal services is comprised primarily of the implementation of a pay study, merit increases, and increases to health insurance costs. No additional officers were added during the fiscal year 2020 budget. The next most significant program expense is General Government. General Government expense of \$12,381,071 represents 27% of total governmental expenses and increased by \$225,511 primarily due to a decrease in Engineering expenses and offset in part by increases in Information Services, Communications and Building and Grounds.

Business-type activities: Business-type activities increased the City of Douglasville's net position by \$2,582,939 accounting for 44% of the total increase in the government's total net position. The most significant business-type activity of the City is the Sanitation Services provided to the citizens of the City of Douglasville. Revenue is made up of a combination of user fees, grants, and SPLOST.

Governmental Funds. The focus of the City of Douglasville's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Douglasville's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City of Douglasville. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$15,357,559 compared to last year at \$14,487,097. This is an increase of \$870,462. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. In 2020, the unassigned fund balance represents 50% of total General Fund expenditures. The primary reasons for the increase in fund balance for the General Fund:

- General Fund property taxes increase of \$581,384 over the prior year due to millage rate increases.
- Local Option Sales Taxes increase of \$382,589 over the prior year due to an audit completed by the Georgia Department of Revenue.
- Occupational Tax increase of \$107,551 over the prior year due to additional business activity.
- Insurance premium tax increase of \$139,079 over the prior year.

On June 30, 2020, the governmental funds of the City of Douglasville reported a combined fund balance of \$26,931,553. Last year the combined fund balance was \$26,771,971 this represents an increase of 0.6% over last year.

The SPLOST Fund decreased the fund balance by \$709,974. While the City continues to increase the SPLOST projects, the fund received a transfer in of \$3,036,158 for additional project costs and proceeds from the debt of \$620,000 for Motorola Tower used for Public Safety as well as sales tax collections. Sales tax collections decreased by \$644,613 from the prior year.

At the end of the current fiscal year, the restricted fund balance of the Confiscated Asset fund was \$1,646,147 compared to last year at \$1,577,652. This is an increase of \$68,495. This fund received more in fines and forfeiture, interest, and miscellaneous revenue collections during fiscal year 2020 than expenditures.

The GEMA Flood Fund has closed out the final projects and transferred out the remaining funds from 2019. This fund will be closed out in fiscal year 2021 as all projects are complete.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

During the fiscal year, actual revenues were ahead of the budgeted amount by \$431,321. This was due to: property taxes revenue exceeded the budget (to include intangibles, Motor Vehicle tax, Heavy Equipment) by \$320,304, and fines and forfeitures revenue exceeded the budget by \$245,886, offset in part by licenses and permits falling short of the budget by \$151,628. Expenditures were \$890,133 less than the final approved budget.

Proprietary Funds. The City of Douglasville's proprietary funds provides the same type of information found in the government-wide statements but in more detail. The unrestricted net position of the Sanitation Fund at the end of the fiscal year amounted to \$1,605,736. The total increase in net position from the prior fiscal year was \$2,582,939.

Capital Asset and Debt Administration

Capital assets. The City of Douglasville's investment in capital assets for its governmental and business-type activities as of June 30, 2020, totals \$115,534,011 (net of accumulated depreciation). These assets include land, buildings, machinery and equipment, park facilities, vehicles, and infrastructure.

Major capital asset transactions during the year include the following additions: A microwave link between Douglasville and Cobb County for improved communications between Public Safety employees, a second radio communications tower which also enhances communications. In addition, patrol and support service vehicles (22) were purchased. Camera upgrades City wide were installed, and tag readers were installed on patrol vehicles. The Courthouse square building was renovated which will house the administrative function of the Sanitation and Maintenance departments. The city purchased fleet software that enables GPS tracking of city vehicles and tracks fuel and vehicle maintenance activity. Several projects were transferred out of CIP: the completion of the Mill Village Park, the completion of Jesse Davis and Hawthorne Center renovations and improvements, the clean-up, and remediation of an old textile mill that had burned. The additional parking lot at the Public Safety building was completed and all the City Hall Renovation project is complete.

CITY OF DOUGLASVILLE'S CAPITAL ASSETS

FIGURE 4

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 30,309,132	\$ 30,309,132	\$ -	\$ -	\$ 30,309,132	\$ 30,309,132
Construction in progress	996,019	2,868,078	-	2,891,339	996,019	5,759,417
Buildings	43,005,015	41,972,782	7,090,842	-	50,095,857	41,972,782
Other improvements	11,541,287	8,563,248	390,449	17,658	11,931,736	8,580,906
Infrastructure	15,610,902	15,329,250	-	-	15,610,902	15,329,250
Vehicles, machinery, and equipment	5,121,798	4,430,857	1,468,567	1,656,221	6,590,365	6,087,078
	\$ 106,584,153	\$ 103,473,347	\$ 8,949,858	\$ 4,565,218	\$ 115,534,011	\$ 108,038,565

Additional information on the City's capital assets can be found in Note 7 page 41 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2020, the City of Douglasville had bonded debt outstanding of \$28,983,137.

CITY OF DOUGLASVILLE'S OUTSTANDING DEBT

FIGURE 5

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Bonds payable	\$ 28,983,137	\$ 31,261,541	\$ -	\$ -	\$ 28,983,137	\$ 31,261,541
Premium	1,810,000	2,114,831	-	-	1,810,000	2,114,831
Discounts	(13,833)	(15,342)	-	-	(13,833)	(15,342)
Financed purchases	421,816	254,822	238,066	-	659,882	254,822
Notes payable	496,652	-	-	-	496,652	-
Compensated absences	974,484	981,734	79,619	108,395	1,054,103	1,090,129
Net pension liability	5,364,346	1,415,409	463,340	158,887	5,827,686	1,574,296
Total OPEB liability	26,795,871	23,740,779	-	-	26,795,871	23,740,779
	\$ 64,832,473	\$ 59,753,774	\$ 781,025	\$ 267,282	\$ 65,613,498	\$ 60,021,056

The City of Douglasville's total debt increased by \$5,592,442 during the past fiscal year. This is due to the net effect of debt payments and increases in net pension and total OPEB liabilities. Georgia general statutes limit the amount of general obligation debt that a unit of government can issue to 10% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City of Douglasville is \$142,415,441. The City does not have a formal policy for credit risk beyond the types of investments authorized by state statute.

Additional information regarding the City of Douglasville's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the City.

- In 2020, the economy was weakened by the COVID-19 pandemic. It is anticipated the impact will be extended into 2021.
- The unemployment rate for the City of Douglasville as of June 2020 is 4.0%.
- In 2009, the Douglasville Development Authority was reactivated to generate economic growth and prosperity throughout our community.
- Opening of new businesses has proceeded at a positive rate for several years, which has created new service area jobs.
- The percentage the City receives of the 1% Local Option Sales tax increased per the Intergovernmental Agreement which was effective January 2014.

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities: The fiscal year 2021 General Fund budget is 7% lower than the 2020 amended General Fund budget. The Millage rate remained the same as in the prior year at 7.211, with elected officials voting to not roll back the millage rate by 5.15%.

This additional revenue will offset the loss of revenue expected from the effects of COVID-19 on tourism, occupational licenses, and hotel motel taxes. The City received Federal Stimulus money of 1.7 million which was used to add back in capital outlay to the budget so that the City kept on track with their capital improvement program.

The fiscal year 2021 budget provides for budget reductions July through October 2020 due to COVID-19 with recovery budgeted for January through June 2021. Travel and training throughout all departments have been cut to \$2,500.

The City programmed an average 2% merit increases in the fiscal year 2021 budget.

The City continues to provide funding for the City Development Authority to help seek out quality businesses to bring to the City.

The 2016 Special Local Option Sales tax fund which was adopted in fiscal year 2017 reflects the new SPLOST collections that started in April of 2017. Included in the SPLOST budget are funds for Public Safety 20%, Facilities 15%, Transportation 45%, and Parks and Recreation 20%.

Public Safety budget is comprised primarily of the purchase of new equipment and vehicles suited for the purpose of increasing public safety and/or enhancing current operations. The fiscal year 2021 budget includes vehicle replacements, the construction of a second radio tower to increase intergovernmental communication throughout Douglasville and Douglas County, and concepts and designs for the expansion and renovation of the existing maintenance facility at the Public Safety Complex. Additionally, per an intergovernmental agreement (IGA) between the City of Douglasville and Douglas County, \$4.5 million dollars in contributions are earmarked for Douglas County's fire and EMS projects.

The Parks and Recreation portion of SPLOST identifies key projects with the intent to improve, renovate, and/or replace infrastructure throughout the Douglasville Parks System. The fiscal year 2021 budget includes funds to replace and move the existing irrigation system at West Pines, renovations at the Club Drive facility and the Hawthorne Center, and redevelopment of the defunct and former Douglas County jail into an outdoor green space and amphitheater. As well as funds to implement necessary designs and improvements throughout the city's parks system, which includes but is not limited to Jessie Davis Park, Mill Village Park, and Willing Workers Park.

The Transportation portion of SPLOST is primarily comprised of resurfacing projects and overall beautification of the City of Douglasville's roads, sidewalks, and right of ways identified through a pavement evaluation and various studies. The fiscal year 2021 budget includes concepts, designs and construction for landscaping improvements at the I20 @ Fairburn Road as well as concepts, and designs for a Northside Trail System. Additional funds are budgeted for resurfacing and improvement of city roads as well as beautification and improvements to city roads, pedestrian paths and gateway interchanges.

The Facilities portion of SPLOST is allocated for the purpose of the construction of new and refurbishment of existing city governmental facilities. At the end of fiscal year 2020 the Facilities portion of the 2016 SPLOST was completed.

Business-Type Activities: The Sanitation rates will increase in January of 2021. Sanitation rates have not increased in 15 years. Fiscal year 2021 will be the first full fiscal year the front-end service will be outsourced. In addition, the City has taken over recycling services, which were outsourced in prior years. The recycling program is on hold currently due to rising recycling costs. The Sanitation fund assisted with matching funds for the construction of a new Public Services facility located at 8145 Cedar Mountain Road. This facility centralizes the City's sanitation operations and allows for easier maintenance, fueling and repair of the City's fleet of solid waste collection vehicles and equipment.

Requests for Information:

This report is designed to provide an overview of the City's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, City of Douglasville, P.O. Box 219, Douglasville, GA 30133.

BASIC FINANCIAL STATEMENTS

CITY OF DOUGLASVILLE, GEORGIA

STATEMENT OF NET POSITION

JUNE 30, 2020

ASSETS	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Development Authority
Cash and cash equivalents	\$ 21,411,409	\$ 2,047,786	\$ 23,459,195	\$ 51,549
Investments	5,534,817	-	5,534,817	-
Taxes receivable, net of allowances	420,622	-	420,622	-
Accounts receivable, net of allowances	469,732	345,084	814,816	28
Other receivables	2,802	-	2,802	-
Due from other governments	1,189,382	-	1,189,382	-
Internal balances	67,870	(67,870)	-	-
Inventories	27,598	-	27,598	-
Prepaid items	624,512	98,360	722,872	3,646
Capital assets, non-depreciable	31,305,151	-	31,305,151	-
Capital assets, depreciable, net of accumulated depreciation	75,279,002	8,949,858	84,228,860	-
Total assets	136,332,897	11,373,218	147,706,115	55,223
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	1,142,337	-	1,142,337	-
Accumulated decrease in fair value of hedging derivative	247,822	-	247,822	-
Pension related items	3,300,842	285,107	3,585,949	-
OPEB related items	3,255,883	-	3,255,883	-
Total deferred outflows of resources	7,946,884	285,107	8,231,991	-
LIABILITIES				
Accounts payable	2,236,870	454,028	2,690,898	23,339
Accrued liabilities	389,583	28,931	418,514	-
Accrued interest payable	418,403	-	418,403	-
Noncurrent liabilities				
Due within one year				
Customer deposits payable	16,773	21,747	38,520	-
Compensated absences	779,587	63,695	843,282	-
Financed purchases	206,549	134,717	341,266	-
Notes payable	92,784	-	92,784	-
Bonds payable	2,355,942	-	2,355,942	-
Due in more than one year				
Compensated absences	194,897	15,924	210,821	-
Financed purchases	215,267	103,349	318,616	-
Notes payable	403,868	-	403,868	-
Bonds payable	28,423,362	-	28,423,362	-
Fair value of hedging derivative	247,822	-	247,822	-
Net pension liability	5,364,346	463,340	5,827,686	-
Total OPEB liability	26,795,871	-	26,795,871	-
Total liabilities	68,141,924	1,285,731	69,427,655	23,339
DEFERRED INFLOWS OF RESOURCES				
Pension related items	637,503	55,066	692,569	-
OPEB related items	4,040,499	-	4,040,499	-
Total deferred inflows of resources	4,678,002	55,066	4,733,068	-
NET POSITION				
Net investment in capital assets	76,525,370	8,711,792	85,237,162	-
Restricted for:				
Law enforcement	1,646,147	-	1,646,147	-
Promotion of tourism	1,688,773	-	1,688,773	-
Capital projects	4,844,147	-	4,844,147	-
Debt service	369,598	-	369,598	-
Unrestricted (deficit)	(13,614,180)	1,605,736	(12,008,444)	31,884
Total net position	\$ 71,459,855	\$ 10,317,528	\$ 81,777,383	\$ 31,884

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

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 12,381,071	\$ 3,990,452	\$ 296,599	\$ 33,320
Judicial	797,065	1,159,756	-	-
Public safety	14,957,786	532,917	54,527	103,984
Public works	8,270,801	-	-	258,348
Culture and recreation	6,194,551	1,015,228	15,545	9,863,409
Housing and development	1,874,376	198,264	-	74,306
Interest and fiscal charges on long-term debt	965,032	-	-	-
Total governmental activities	<u>45,440,682</u>	<u>6,896,617</u>	<u>366,671</u>	<u>10,333,367</u>
Business-type activities:				
Sanitation	4,695,904	4,683,009	-	4,271,118
Total business-type activities	<u>4,695,904</u>	<u>4,683,009</u>	<u>-</u>	<u>4,271,118</u>
Total primary government	<u>\$ 50,136,586</u>	<u>\$ 11,579,626</u>	<u>\$ 366,671</u>	<u>\$ 14,604,485</u>
Component unit:				
Development Authority	\$ 147,963	\$ -	\$ 93,000	\$ -
Total component unit	<u>\$ 147,963</u>	<u>\$ -</u>	<u>\$ 93,000</u>	<u>\$ -</u>

General revenues:

- Property taxes
- Sales taxes
- Hotel/Motel taxes
- Franchise taxes
- Insurance premium taxes
- Alcohol beverage taxes
- Unrestricted investment earnings
- Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position

Primary Government		Component Unit	
Governmental Activities	Business-type Activities	Total	Development Authority
\$ (8,060,700)	\$ -	\$ (8,060,700)	\$ -
362,691	-	362,691	-
(14,266,358)	-	(14,266,358)	-
(8,012,453)	-	(8,012,453)	-
4,699,631	-	4,699,631	-
(1,601,806)	-	(1,601,806)	-
(965,032)	-	(965,032)	-
<u>(27,844,027)</u>	<u>-</u>	<u>(27,844,027)</u>	<u>-</u>
-	4,258,223	4,258,223	-
-	4,258,223	4,258,223	-
<u>\$ (27,844,027)</u>	<u>\$ 4,258,223</u>	<u>\$ (23,585,804)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,963)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,963)</u>
\$ 13,125,830	\$ -	\$ 13,125,830	\$ -
8,082,143	-	8,082,143	-
1,503,248	-	1,503,248	-
2,622,637	-	2,622,637	-
2,357,133	-	2,357,133	-
1,127,396	-	1,127,396	-
320,383	90,877	411,260	309
236,930	-	236,930	-
1,766,161	(1,766,161)	-	-
<u>31,141,861</u>	<u>(1,675,284)</u>	<u>29,466,577</u>	<u>309</u>
3,297,834	2,582,939	5,880,773	(54,654)
68,162,021	7,734,589	75,896,610	86,538
<u>\$ 71,459,855</u>	<u>\$ 10,317,528</u>	<u>\$ 81,777,383</u>	<u>\$ 31,884</u>

CITY OF DOUGLASVILLE, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

ASSETS	SPLOST		Other	Total
	General	2016	Governmental Funds	Governmental Funds
Cash and cash equivalents	\$ 12,667,741	\$ 5,424,946	\$ 3,318,722	\$ 21,411,409
Investments	4,492,048	-	1,042,769	5,534,817
Receivables, net:				
Taxes receivable	274,534	-	146,088	420,622
Accounts receivable	469,732	-	-	469,732
Other receivables	-	2,030	772	2,802
Due from other governments	1,151,169	-	38,213	1,189,382
Due from other funds	64,325	-	222,622	286,947
Inventories	27,598	-	-	27,598
Prepaid items	581,683	-	39,491	621,174
Total assets	<u>\$ 19,728,830</u>	<u>\$ 5,426,976</u>	<u>\$ 4,808,677</u>	<u>\$ 29,964,483</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,038,661	\$ 1,155,848	\$ 42,361	\$ 2,236,870
Accrued liabilities	383,532	-	6,051	389,583
Due to other funds	154,752	-	64,325	219,077
Deposits payable	16,773	-	-	16,773
Total liabilities	<u>1,593,718</u>	<u>1,155,848</u>	<u>112,737</u>	<u>2,862,303</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	151,392	-	19,235	170,627
FUND BALANCES				
Fund balances:				
Nonspendable:				
Prepaid items	581,683	-	39,491	621,174
Inventories	27,598	-	-	27,598
Restricted for:				
Law enforcement	-	-	1,646,147	1,646,147
Promotion of tourism	-	-	1,649,282	1,649,282
Capital projects	-	4,271,128	573,019	4,844,147
Debt service	-	-	768,766	768,766
Assigned:				
Retiree benefits	478,967	-	-	478,967
Fiscal year 2021 operations	1,537,913	-	-	1,537,913
Unassigned	15,357,559	-	-	15,357,559
Total fund balances	<u>17,983,720</u>	<u>4,271,128</u>	<u>4,676,705</u>	<u>26,931,553</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,728,830</u>	<u>\$ 5,426,976</u>	<u>\$ 4,808,677</u>	

Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	106,584,153
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds.	3,338
Some revenues are not available in the current period and, therefore, are reported as deferred inflows of resources in the governmental funds.	170,627
The City's net pension and total OPEB liabilities, and the related deferred outflows of resources and deferred inflows of resources, are not expected to be liquidated with available financial resources and, therefore, are not reported in the governmental funds.	(30,281,494)
The impact on net position resulting from an effective hedging instrument is not recognized until the hedge is used by the holder and, therefore, is deferred.	247,822
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(32,196,144)
Net position of governmental activities	<u>\$ 71,459,855</u>

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

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

	<u>General</u>	<u>SPLOST 2016</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes	\$ 25,413,085	\$ -	\$ 3,331,206	\$ 28,744,291
Licenses and permits	3,400,336	-	-	3,400,336
Intergovernmental	14,163	9,863,409	1,105,651	10,983,223
Fines and forfeitures	1,485,043	-	222,918	1,707,961
Charges for services	1,372,023	-	198,264	1,570,287
Interest income	286,965	27,209	33,418	347,592
Contributions	5,911	-	6,262	12,173
Miscellaneous	327,289	-	236,930	564,219
Total revenues	<u>32,304,815</u>	<u>9,890,618</u>	<u>5,134,649</u>	<u>47,330,082</u>
Expenditures				
Current:				
General government	9,811,838	79,605	61,920	9,953,363
Judicial	759,475	-	-	759,475
Public safety	12,486,199	50,265	289,744	12,826,208
Public works	2,481,396	4,507,964	411,989	7,401,349
Culture and recreation	3,226,263	216,838	1,351,739	4,794,840
Housing and development	1,570,919	-	73,514	1,644,433
Capital outlay	-	9,177,724	-	9,177,724
Debt service:				
Principal retirement	474,520	198,184	2,108,405	2,781,109
Interest and fiscal charges	132,374	26,170	1,009,426	1,167,970
Total expenditures	<u>30,942,984</u>	<u>14,256,750</u>	<u>5,306,737</u>	<u>50,506,471</u>
Excess (deficiency) of revenues over expenditures	1,361,831	(4,366,132)	(172,088)	(3,176,389)
Other financing sources (uses):				
Proceeds from sale of capital assets	500	-	-	500
Issuance of long term debt	546,350	620,000	-	1,166,350
Transfers in	636,541	3,036,158	1,435,726	5,108,425
Transfers out	(2,222,763)	-	(716,541)	(2,939,304)
Total other financing sources (uses)	<u>(1,039,372)</u>	<u>3,656,158</u>	<u>719,185</u>	<u>3,335,971</u>
Net change in fund balance	322,459	(709,974)	547,097	159,582
Fund balances, beginning of year	<u>17,661,261</u>	<u>4,981,102</u>	<u>4,129,608</u>	<u>26,771,971</u>
Fund balances, end of year	<u>\$ 17,983,720</u>	<u>\$ 4,271,128</u>	<u>\$ 4,676,705</u>	<u>\$ 26,931,553</u>

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

CITY OF DOUGLASVILLE, GEORGIA

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

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

Net change in fund balances - total governmental funds	\$	159,582
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		3,533,914
Governmental funds report the proceeds from the sale of capital assets; however, the statement of activities reports the gain or loss on disposal. Therefore, the change in net position will differ from the change in fund balance by the net book value of the capital assets disposed.		(423,108)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(244,023)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,816,031
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(1,544,562)
Change in net position - governmental activities	\$	<u>3,297,834</u>

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

CITY OF DOUGLASVILLE, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2020**

	Major Enterprise Fund Sanitation Fund
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,047,786
Accounts receivable, net of allowances	345,084
Prepaid items	98,360
Total current assets	<u>2,491,230</u>
NON-CURRENT ASSETS	
Depreciable capital assets, net of accumulated depreciation	8,949,858
Total non-current assets	<u>8,949,858</u>
Total assets	<u>11,441,088</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	<u>285,107</u>
CURRENT LIABILITIES	
Accounts payable	454,028
Accrued liabilities	28,931
Customer deposits payable	21,747
Due to other funds	67,870
Financed purchases, due within one year	134,717
Compensated absences, due within one year	63,695
Total current liabilities	<u>770,988</u>
NON-CURRENT LIABILITIES	
Financed purchases, due in more than one year	103,349
Compensated absences, due in more than one year	15,924
Net pension liability	463,340
Total non-current liabilities	<u>582,613</u>
Total liabilities	<u>1,353,601</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related items	<u>55,066</u>
NET POSITION	
Net investment in capital assets	8,711,792
Unrestricted	1,605,736
Total net position	<u>\$ 10,317,528</u>

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

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

	Major Enterprise Fund
	Sanitation Fund
OPERATING REVENUES	
Charges for services	\$ 4,683,009
OPERATING EXPENSES	
Personnel costs	1,359,595
Purchased and contracted services	2,268,876
Other operating expenses	506,791
Depreciation	560,642
Total operating expenses	4,695,904
Operating loss	(12,895)
NON-OPERATING INCOME	
Interest income	90,877
Total non-operating income	90,877
Income before transfers and contributions	77,982
TRANSFERS OUT	(2,169,121)
CAPITAL CONTRIBUTIONS	4,674,078
Change in net position	2,582,939
NET POSITION, beginning of year	7,734,589
NET POSITION, end of year	\$ 10,317,528

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Major Enterprise Fund Sanitation Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 4,790,738
Payments to suppliers and service providers	(2,701,812)
Payments to employees	(1,394,225)
	694,701
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Net receipt of interfund borrowings	171,443
	171,443
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers to other funds	(2,169,121)
Principal paid on capital lease	(33,138)
	(2,202,259)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income on investments	90,877
	90,877
Decrease in cash and cash equivalents	(1,245,238)
Cash and cash equivalents:	
Beginning of year	3,293,024
	3,293,024
End of year	\$ 2,047,786
	2,047,786

(Continued)

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Major Enterprise Fund Sanitation Fund
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (12,895)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	560,642
(Increase) decrease in:	
Accounts receivable	100,005
Prepaid items	(11,154)
Increase (decrease) in:	
Accrued liabilities	5
Accounts payable	85,009
Customer deposits payable	7,724
Compensated absences	(28,776)
Net pension liability (and related deferred outflows / inflows of resources)	(5,859)
Net cash provided by operating activities	\$ 694,701
Non-cash capital related activities	
Donated capital assets	\$ 4,674,078
Financed capital asset	271,204
Total non-cash capital related activities	\$ 4,945,282

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

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2020

	Municipal Court
ASSETS	
Cash	<u>\$ 45,619</u>
TOTAL ASSETS	<u><u>\$ 45,619</u></u>
LIABILITIES	
Due to other governments and individuals	<u>\$ 45,619</u>
TOTAL LIABILITIES	<u><u>\$ 45,619</u></u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Douglasville was incorporated in 1937 under the provisions of an Act of the General Assembly of Georgia. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter; public safety (police), highways and streets, sanitation, social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accompanying financial statements present the City and its component units, entities for which the City is considered financially accountable. The blended component units are included within the City's funds as these entities provide services exclusively to the City although they are legally separate entities. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Units

The Douglasville Convention and Conference Center Authority (the "Authority") was organized to issue bonds to develop and promote commerce, industry and general welfare within the City. The Authority's board members are substantially the same as the City's council members and the City has contractually obligated itself to use its taxing powers to guarantee repayment of principal and interest on certain revenue bonds issued by the Authority. Therefore, as the Authority is purely a financing authority of the City and the existence of this financial benefit or burden relationship, the Authority is presented as a blended component unit. The Authority is presented as a capital projects fund of the City.

The Douglasville Public Purpose Corporation (the "Corporation") was organized to issue bonds to develop and promote commerce, industry and general welfare within the City. The Corporation's board members are substantially the same as the City's council members and the City has contractually obligated itself to use its taxing powers to guarantee repayment of principal and interest on certain revenue bonds issued by the Corporation. Therefore, as the Corporation is purely a financing authority of the City and the existence of this financial benefit or burden relationship, the Corporation is presented as a blended component unit. The Corporation is presented as a special revenue fund of the City.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Unit

The City of Douglasville Development Authority (the “Authority”) was created as a separate legal entity by an act of the state legislature and “activated” by action of the City Council to promote and expand industry, welfare and trade for the public good and welfare of the City, and make long-range plans for such development and expansion. The governing board of the Authority is appointed by the City Council for fixed terms and the City is considered to be able to impose its will on the Authority and thus the Authority is presented as a governmental fund-type discretely presented component.

Financial information with regard to all of the City’s component units can be obtained from the City’s finance department located at 6695 Church Street, Douglasville, Georgia 30134. Separate financial statements for the City’s component units are not prepared.

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 government. Government-wide financial statements do not provide information by fund, but distinguish between the City’s governmental activities and business-type activities. Governmental activities, which are normally 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 discretely presented component units. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City’s capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to those 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 considered program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, the proprietary fund, and the fiduciary fund, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of 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 and the fiduciary fund. Agency funds are custodial in nature and do not present results of operations or have a measurement focus; however, they use the accrual basis of accounting to recognize assets and liabilities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the 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 City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period, with the exception of intergovernmental revenues which are considered to be available if collected within nine (9) months of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

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

The City reports the following major governmental funds:

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

The **SPLOST 2016 Fund** accounts for proceeds and expenditure of special purpose local option sales tax proceeds (SPLOST), Series 2016, received from Douglas County.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The *Sanitation Fund* accounts for the operation of the sanitation system including all revenues from sources applicable to these operations and all expenses of the operation.

The City also reports the following fund types:

The **Special Revenue funds** are used to account for revenue sources that are legally restricted to expenditures for specific purposes such as hotel/motel and car rental excise tax revenues, as well as various grants and contributions.

The **Conference Center Fund** is used to account for the construction of a conference center fund by bond proceeds.

The **Debt Service fund** is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

The **Agency fund** is used to account for funds that the City holds for others in an agency capacity, such as municipal court bonds and fines.

In accounting and reporting for its proprietary operations, the City applies all GASB pronouncements. Proprietary funds distinguish *operating revenues and expenses* from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for goods and services provided. Operating expenses of the enterprise fund include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three (3) months or less from the date of acquisition.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as investments for financial statement presentation.

The City's nonparticipating interest-earning investment contracts are recorded at cost. All remaining investments are recorded at fair value. Increases or decreases in the fair value of the City's investments during the year are recognized as a component of investment income.

E. Receivables and Payables

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

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

F. Inventories

Inventories are valued at cost, which approximates market, using the weighted average cost method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items in both government-wide and fund financial statements using the purchases method.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each year, including infrastructure, they are capitalized and reported at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's lives are not capitalized.

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

Asset	Years
Buildings	50
Other Improvements	20
Infrastructure	30
Vehicles	5
Machinery & Equipment:	
Heavy	15
Small	10
Furniture and Office	5
Computer	5

I. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary fund, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has two (2) items which qualify for reporting in this category (aside from items related to pensions and OPEB which are discussed below): (1) the City's deferred charge on refunding qualifies for reporting in this category as the deferred charge results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt; and (2) the accumulated decrease in the fair value of the hedging derivative qualifies for reporting in this category. As the derivative qualifies as an effective hedge, the change in fair market value which occurs each fiscal year is deferred until the hedge is used by the holder.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one (1) item that qualifies for reporting in this category (aside from deferred inflows related to pensions and OPEB which are discussed below) and this item arises only in reporting that utilizes the modified accrual basis of accounting and accordingly, this item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and court fines as these items are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are reported as expenses in the periods in which they are incurred, with the exception of prepaid bond insurance which is amortized over the life of the bond in accordance with Governmental Accounting Standards Board Statement No. 65.

In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources. Bond issuance costs are reported as debt service expenditures.

L. Fund Equity

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

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

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by the City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

Fund balances are classified as follows (continued):

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through the adoption of a resolution, the City Council has expressly delegated to the City Manager and Finance Director the authority to assign fund balances for particular purposes.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. For all other funds, any deficits in fund balance at year-end will be reported as unassigned.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City’s policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

M. Pensions

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, and deferred inflows of resources and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “the net pension and total OPEB liabilities and related deferred outflows and inflows of resources are not expected to be liquidated with available financial resources and, therefore, are not reported in the funds.” The details of this \$30,281,494 difference are as follows:

Deferred outflows of resources - pension related items	\$ 3,300,842
Net pension liability	(5,364,346)
Deferred inflows of resources - pension related items	(637,503)
Deferred outflows of resources - OPEB related items	3,255,883
Total OPEB liability	(26,795,871)
Deferred inflows of resources - OPEB related items	(4,040,499)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$ (30,281,494)

Another element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$32,196,144 difference are as follows:

Accrued interest payable	\$ (418,403)
Financed purchases payable	(421,816)
Compensated absences payable	(974,484)
Notes payable	(496,652)
Bonds payable	(28,983,137)
Bond premiums, unamortized balance	(1,810,000)
Bond discounts, unamortized balance	13,833
Deferred charges from refunding, unamortized balance	1,142,337
Fair value of hedging derivative	(247,822)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$ (32,196,144)

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$3,533,914 difference are as follows:

Capital outlay	\$ 7,317,666
Depreciation expense	<u>(3,783,752)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 3,533,914</u>

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,816,031 difference are as follows:

Principal payments - financed purchases	\$ 453,006
Principal payments - notes payable	49,698
Principal payments - bonds	2,278,405
Amortization of bond premiums	304,831
Amortization of bond discounts	(1,510)
Amortization of deferred charges on refunding	(102,049)
Proceeds of notes payable	(546,350)
Proceeds of capital leases	<u>(620,000)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,816,031</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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

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

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$1,544,562 difference are as follows:

Compensated absences	\$	7,250
Accrued interest		1,666
Pension expense		(570,532)
OPEB expense		(980,196)
Amortization of prepaid bond insurance		(2,750)
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>		\$ (1,544,562)

NOTE 3. LEGAL COMPLIANCE - BUDGETS

An operating budget is legally adopted each fiscal year for the General Fund, Special Revenue Funds, and Debt Service 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 City Council by the Finance Director.
2. A public hearing on the budget is held.
3. The budget is then legally enacted through the passage of an ordinance.
4. The legal 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 Manager may make transfers of appropriations within a department without prior approval of the City Council with the following restrictions:
 - a) The City Manager may not transfer assets into or from any line item for expenditures for electric service, natural gas, telephone service, or water and sewer service where the City or any constituent organization is the customer; and
 - b) The City Manager may not transfer assets into or from any line item for expenditures for employee wages or related expenses for fringe benefits, including FICA taxes, health insurance premiums, life insurance premiums, workers’ compensation costs, or pension costs; and
 - c) The City Manager may not transfer more than \$25,000 into or from a line item within any department within any one amendment period; and
 - d) The City Manager may not transfer assets into or from any line item for expenditures for travel, training or attendance at civic events by any elected official.

Transfers of appropriations between departments require the approval of the Mayor and City Council.

5. Appropriations, except for encumbrances, lapse at year end.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

The following funds had actual expenditures in excess of appropriations for the fiscal year ended June 30, 2020:

General fund - Buildings and grounds	\$	26,028
General fund - Public works		338,090
General fund - Transfers in		1,650,845
Hotel motel tax fund - Transfers out		523,994
Multiple grant fund - issuance of long term debt		495,842
Public Purpose Corporation fund		6,436

These expenditures in excess of appropriations were funded by greater than anticipated revenues.

NOTE 4. DEPOSITS AND INVESTMENTS

The table below summarizes the City's cash and cash equivalents and investments by type as of June 30, 2020:

Investment	Maturities	Balance
Deposits with financial institutions	---	\$ 8,944,282
Certificate of deposit	March 15, 2022	1,042,769
Certificate of deposit	June 30, 2021	20,013
Certificate of deposit	September 16, 2020	1,312,558
Certificate of deposit	November 29, 2020	1,052,133
Certificate of deposit	November 29, 2020	1,052,133
Certificate of deposit	January 5, 2021	1,055,211
Georgia Fund 1	39 day WAM (1)	14,537,843
Total		\$ 29,016,942

As reported in the Statement of Net Position:

Cash and cash equivalents	\$	23,459,195
Investments		5,534,817
Cash and cash equivalents - Agency Fund		45,619
Total	\$	29,039,631

(1) Weighted average maturity

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk: State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the local government investment pool established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Fair value measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 are significant unobservable inputs.

As part of the issuance of the City's 2005 Series Revenue Bonds, the City entered into an interest rate swap agreement. The interest rate swap agreement is more fully described in Note 8. The fair value of the interest rate swap agreement is classified as Level 2 of the fair value hierarchy and is valued using an option-adjusted discounted cash flow model.

The Georgia Fund 1 is an investment pool, rated AAAs by Standard & Poor's, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

The City's certificates of deposit are considered nonparticipating interest-earning investment contracts and, accordingly, are valued at cost.

Custodial credit risk – deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments and the Georgia Fund 1) to be collateralized by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of June 30, 2020, the City had deposits with two (2) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. Additionally, the City had certificates of deposit with another financial institution that were collateralized by pledged securities, as defined above, such that all of the City's deposits with financial institutions as of June 30, 2020 were insured and/or collateralized as required by State statutes.

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5. RECEIVABLES

Receivables at June 30, 2020, for the City's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>SPLOST 2016</u>	<u>Non-major Governmental</u>	<u>Sanitation</u>	<u>Total</u>
Receivables:					
Taxes	\$ 281,075	\$ -	\$ 146,088	\$ -	\$ 427,163
Accounts receivables	2,494,061	-	5,000	450,309	2,949,370
Other receivables	-	2,030	772	-	2,802
Intergovernmental	1,144,628	-	38,213	-	1,182,841
Gross receivables	3,919,764	2,030	190,073	450,309	4,562,176
Less allowance for uncollectibles	(2,024,329)	-	(5,000)	(105,225)	(2,134,554)
Net total receivables	<u>\$ 1,895,435</u>	<u>\$ 2,030</u>	<u>\$ 185,073</u>	<u>\$ 345,084</u>	<u>\$ 2,427,622</u>

NOTE 6. PROPERTY TAXES

The City has contracted with the Douglas County Tax Commissioner's Office for the billing and collection of its property taxes. All property tax revenues are recognized when levied to the extent that they result in current receivables. Property tax receivables outstanding more than 60 days after June 30 are recorded as deferred inflows of resources for unavailable revenue in the governmental funds. For the year ended June 30, 2020, property taxes were levied on September 15, 2019 and due November 15, 2019. Collections not received by December 15, 2019 are considered delinquent. Liens were attached to property for unpaid taxes on May 15, 2020.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, is as follows:

A. Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 30,309,132	\$ -	\$ -	\$ -	\$ 30,309,132
Construction in progress	2,868,078	4,289,658	(6,161,717)	-	996,019
Total	<u>33,177,210</u>	<u>4,289,658</u>	<u>(6,161,717)</u>	<u>-</u>	<u>31,305,151</u>
Capital assets, being depreciated:					
Infrastructure	98,341,687	1,133,000	-	-	99,474,687
Buildings	53,172,843	-	2,537,202	(402,960)	55,307,085
Other improvements	13,033,408	167,314	3,468,704	-	16,669,426
Machinery, equipment, and vehicles	18,820,843	1,727,694	155,811	(28,783)	20,675,565
Total	<u>183,368,781</u>	<u>3,028,008</u>	<u>6,161,717</u>	<u>(431,743)</u>	<u>192,126,763</u>
Less accumulated depreciation:					
Infrastructure	(83,012,437)	(851,348)	-	-	(83,863,785)
Buildings	(11,200,061)	(1,102,009)	-	-	(12,302,070)
Other improvements	(4,470,160)	(657,979)	-	-	(5,128,139)
Machinery, equipment, and vehicles	(14,389,986)	(1,172,416)	-	8,635	(15,553,767)
Total	<u>(113,072,644)</u>	<u>(3,783,752)</u>	<u>-</u>	<u>8,635</u>	<u>(116,847,761)</u>
Total assets, being depreciated, net	<u>70,296,137</u>	<u>(755,744)</u>	<u>6,161,717</u>	<u>(423,108)</u>	<u>75,279,002</u>
Governmental activities capital assets, net	<u>\$ 103,473,347</u>	<u>\$ 3,533,914</u>	<u>\$ -</u>	<u>\$ (423,108)</u>	<u>\$ 106,584,153</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7. CAPITAL ASSETS (CONTINUED)

B. Business-type Activities

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets, not being depreciated:					
Construction in Progress	\$ 2,891,339	\$ 4,271,118	\$ -	\$ (7,162,457)	\$ -
Total	<u>2,891,339</u>	<u>4,271,118</u>	<u>-</u>	<u>(7,162,457)</u>	<u>-</u>
Capital assets, being depreciated:					
Buildings	-	402,960	-	7,162,457	7,565,417
Vehicles	3,853,320	271,204	-	-	4,124,524
Machinery and equipment	638,179	-	-	-	638,179
Improvements	19,091	-	-	-	19,091
Total	<u>4,510,590</u>	<u>674,164</u>	<u>-</u>	<u>7,162,457</u>	<u>12,347,211</u>
Less accumulated depreciation for:					
Buildings	-	(71,625)	-	-	(71,625)
Vehicles	(2,250,027)	(455,589)	-	-	(2,705,616)
Machinery and equipment	(585,251)	(32,473)	-	-	(617,724)
Improvements	(1,433)	(955)	-	-	(2,388)
Total	<u>(2,836,711)</u>	<u>(560,642)</u>	<u>-</u>	<u>-</u>	<u>(3,397,353)</u>
Total assets, being depreciated, net	<u>1,673,879</u>	<u>113,522</u>	<u>-</u>	<u>7,162,457</u>	<u>8,949,858</u>
Business-type activities capital assets, net	<u>\$ 4,565,218</u>	<u>\$ 4,384,640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,949,858</u>

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

Governmental activities:

General government	\$ 257,162
Public safety	1,195,395
Public works	794,406
Culture and recreation	844,895
Housing and development	691,894

Total depreciation expense - governmental activities \$ 3,783,752

Business-type activities:

Sanitation	<u>\$ 560,642</u>
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Total depreciation expense - business-type activities \$ 560,642

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2020, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Direct placement - bonds payable	\$ 31,261,542	\$ -	\$ (2,278,405)	\$ 28,983,137	\$ 2,355,942
Plus unamortized premiums	2,114,831	-	(304,831)	1,810,000	-
Less unamortized discounts	(15,343)	-	1,510	(13,833)	-
Bonds payable, net	<u>33,361,030</u>	<u>-</u>	<u>(2,581,726)</u>	<u>30,779,304</u>	<u>2,355,942</u>
Direct borrowing - financed purchases	254,822	620,000	(453,006)	421,816	206,549
Direct borrowing - notes payable	-	546,350	(49,698)	496,652	92,784
Net pension liability	1,415,409	5,681,066	(1,732,129)	5,364,346	-
Total OPEB liability	23,740,779	5,253,632	(2,198,540)	26,795,871	-
Compensated absences	<u>981,734</u>	<u>667,793</u>	<u>(675,043)</u>	<u>974,484</u>	<u>779,587</u>
Governmental activities Long-term liabilities	<u>\$ 59,753,774</u>	<u>\$ 12,768,841</u>	<u>\$ (7,690,142)</u>	<u>\$ 64,832,473</u>	<u>\$ 3,434,862</u>
Business-type activities:					
Direct borrowing - financed purchases	\$ -	\$ 271,204	\$ (33,138)	\$ 238,066	\$ 134,717
Compensated absences	108,395	52,479	(81,255)	79,619	63,695
Net pension liability	<u>158,887</u>	<u>490,696</u>	<u>(186,243)</u>	<u>463,340</u>	<u>-</u>
Business-type activity Long-term liabilities	<u>\$ 267,282</u>	<u>\$ 814,379</u>	<u>\$ (300,636)</u>	<u>\$ 781,025</u>	<u>\$ 198,412</u>

For governmental activities, the net pension liability, total OPEB liability, and compensated absences are generally liquidated by the General Fund. For business-type activities, the net pension liability and compensated absences are liquidated by the Sanitation Fund.

Direct Placement Bonds

General Obligation Bonds. On September 29, 2016, the City issued General Obligation Bonds, Series 2016 in the aggregate principal amount of \$13,600,000, the proceeds of which (when combined with the original issue premium of \$1,679,464) were used to refund \$13,870,000 of the previously outstanding General Obligation Bonds, Series 2009. The bonds bear interest at rates ranging from 2.25% to 4.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually, commencing on February 1, 2020 until the bonds mature on February 1, 2029. Funds held in the City's Series 2016 Sinking Fund are kept separate from all other funds of the City and are pledged to be used to pay the debt service costs associated with the Series 2016 bonds. As of June 30, 2020, the outstanding balance of the Series 2009 bonds is \$12,430,000.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT (CONTINUED)

Revenue Bonds. In September 2005, the Douglasville Public Purpose Corporation issued Series 2005 revenue bonds in the aggregate principal amount of \$7,253,713 (\$2,793,137 outstanding at June 30, 2020) for the purpose of financing the construction of a public service building. The bonds were issued at a variable rate equal to 61.1% of the one-month London Interbank Offered Rate (LIBOR) plus 115 basis points. Payments of principal and interest are due monthly, on the first of each month commencing on October 1, 2005 until the bonds mature on May 1, 2026. As part of the issuance of the bonds, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to make a monthly interest payment to, or on behalf of the Swap Counterparty, equal to 4.11% times a notional amount specified in the Swap Agreement (which adjusts with each payment to be the outstanding balance of the Series 2005 revenue bonds) and the Swap Counterparty will pay to, or on behalf of, the City a monthly payment equal to 61.1% of one-month LIBOR plus 115 basis points times the notional amount specified in the Swap Agreement. The monthly payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the bonds and as noted above, the variable rate of interest on the bonds and the Swap Agreement are the same. Monthly interest payments between the City, the bondholders, and the Swap Counterparty can be made in net settlement form as part of this agreement. This agreement matures on May 1, 2026, at the same time of the bonds. This derivative qualifies as a cash flow hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated A3 by Moody's. At June 30, 2020, the floating rate being received by the City from the Swap Counterparty and paid by the City to bondholders is 1.27% and the market value of this agreement is (\$247,822), an increase of \$28,367 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2020 based on the derivative contract. This market value is reported as a liability in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the outflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as a deferred outflow of resources in the statement of net position.

On November 15, 2011, the Douglasville Convention and Conference Center Authority issued \$9,640,000 of Series 2011 revenue bonds for the purpose of financing the cost of the design, acquisition, construction, and furnishing of a new conference center and parking facilities. The bonds bear interest at rates ranging from 3.00% to 5.00% and interest payments are due semi-annually on February 1 and August 1. As a result of the issuance of the 2017 bonds (below), the City only has one principal payment to make for the 2011 bonds in the amount of \$400,000 on February 1, 2022. As of June 30, 2020, the outstanding balance of the Series 2011 bonds is \$400,000.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued). On December 28, 2017, the City issued Douglasville Convention & Conference Center Authority Revenue Refunding Bonds, Series 2017 A & B in the aggregate principal amount of \$9,015,000 and \$465,000, respectively, the proceeds of which were used to refund \$9,240,000 of the previously outstanding Douglasville Convention & Conference Center Authority Series 2011 revenue bonds. The bonds bear interest at rates ranging from 2.85% to 5.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually, commencing on February 1, 2023 until the bonds mature on February 1, 2035. As of June 30, 2020, the outstanding balance of the Series 2017A bonds is \$9,015,000 and Series 2017B bonds is \$405,000.

The refunding transaction undertaken by the City resulted in aggregate debt service savings of \$603,957 and an economic gain (net present value of the aggregate debt service savings) of \$512,883. As part of the refunding, the City defeased certain outstanding revenue bonds, Series 2011 by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of June 30, 2020, the outstanding amount of Douglasville Convention & Conference Center Authority Revenue Bonds, Series 2011 considered defeased is \$9,240,000.

The Douglasville Convention & Conference Center Authority's Series 2017 A & B revenue bonds contain a provision that in any event of default, a receiver appointed in accordance with law or any bond holder may proceed to protect and enforce the rights of the bond holders by a suit, action, or special proceedings in equity, or at law, for the special performance of any covenant or agreement contained in the bond resolution or in aid or execution of any power granted in the bond resolution, or contained in the contract, or for the enactment of any proper legal or equitable remedy as such bond holder shall deem most effectual to protect and enforce the rights authorized by law. An event of default is defined in the bond resolution as a default in the payment of the principal or interest of the bond when the payments are due and payable, the Authority admits in writing its inability to pay its debts generally as they become due, or the Authority files a petition for bankruptcy.

On January 4, 2012, the Douglasville Convention and Conference Center Authority issued \$3,770,000 of Series 2011 revenue bonds for the purpose of financing the cost of the design, acquisition, construction, and furnishing of a new conference center and parking facilities. The bonds bear interest at rates ranging from 4.00% to 5.00% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually commencing on February 1, 2014 until the bonds mature on February 1, 2022. As of June 30, 2020, the outstanding balance of the Series 2012 bonds is \$675,000.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued). On January 24, 2013, the Douglasville Convention and Conference Center Authority issued \$4,110,000 of Series 2013 revenue bonds for the purpose of financing the cost of the design, acquisition, and construction, of the West Pines Golf Course. The bonds bear interest at rates ranging from 2.00% to 3.25% and interest payments are due semi-annually on February 1 and August 1. Principal is payable annually commencing on August 1, 2013 until the bonds mature on August 1, 2035. As of June 30, 2020, the outstanding balance of the Series 2013 bonds is \$3,265,000.

The City's outstanding amounts from direct placement related to the West Pines Golf Course of \$4,110,000 contain a provision that in the event of default and the City is unable to make deposits to the trustee on time and sufficient to make debt service payments, the non-defaulting party or the bond holders may seek appointment of a receiver; the Authority or the bond holders may require the City to furnish copies of all books and records of the City pertaining to the project; or the non-defaulting party or the bond holders may take whatever action at law or equity may appear necessary or desirable to collect the contract payments. An event of default is defined as failure of the City to make contract payments or the failure of the City to observe and perform any covenant, condition, or agreement of the contract.

The annual debt service requirements to maturity on all of the City's bonds outstanding at June 30, 2020, are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2021	\$ 2,355,942	\$ 940,068	\$ 3,296,010
2022	2,438,576	868,388	3,306,964
2023	2,532,154	789,689	3,321,843
2024	2,621,421	711,362	3,332,783
2025	2,716,738	629,624	3,346,362
2026-2030	11,033,306	1,996,055	13,029,361
2031-2035	5,030,000	562,794	5,592,794
2036	255,000	4,144	259,144
Total	<u>\$ 28,983,137</u>	<u>\$ 6,502,124</u>	<u>\$ 35,485,261</u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT (CONTINUED)

Direct Borrowings

Financed Purchases

The City has entered into lease agreements as lessee for financing the acquisition of various items including equipment and improvements used in general governmental activities. The lease agreements qualify as capital leases for accounting purposes as the titles to the property transfer to the City at the end of the lease terms and therefore, the leases have been recorded at the present values of the future minimum lease payments as of the date of their inception. Lease payments are due in annual installments.

The original cost of the City's assets under financed purchase arrangements at June 30, 2020 is \$1,120,000 and there has been \$18,667 of accumulated depreciation as of year-end. Annual depreciation of these assets is included in depreciation expense.

Debt service requirements to maturity on the City's capital leases are as follows:

Year Ending June 30,	
2021	\$ 224,354
2022	224,354
Total minimum lease payments	<u>448,708</u>
Less amount representing interest	<u>(26,892)</u>
Present value of future minimum lease payments	421,816
Less current maturities	<u>206,549</u>
Long term liabilities	<u><u>\$ 215,267</u></u>

Note Payable

On April 30, 2020 the City entered into an agreement with Georgia Power, an electric utility, to facilitate the relocation of power distribution facilities in the City. The total estimated cost for the relocation was \$546,350 which the City reports as a fixed note payable, due in monthly principal and interest installments of \$11,820, maturing in November 2024. Debt service requirements on the City's note payable are as follows:

Year Ending June 30,	Principal	Interest	Total Debt Service
2021	\$ 92,784	\$ 49,051	\$ 141,835
2022	103,297	38,538	141,835
2023	115,001	26,834	141,835
2024	128,032	13,803	141,835
2025	<u>57,538</u>	<u>1,560</u>	<u>59,098</u>
Total	<u><u>\$ 496,652</u></u>	<u><u>\$ 129,786</u></u>	<u><u>\$ 626,438</u></u>

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8. LONG-TERM DEBT (CONTINUED)

Business Type Activities

The City's Sanitation Fund has entered into a lease agreement as lessee for financing the acquisition of a vehicle used in business type activities. The lease agreement qualifies as a capital lease for accounting purposes as the title to the property transfers to the City at the end of the lease term and therefore, the lease has been recorded at the present value of the future minimum lease payments as of the date of its inception. Lease payments are due in monthly installments.

The original cost of the Sanitation Fund's asset under the financed purchase arrangement at June 30, 2020 is \$271,204 and there has been \$35,662 of accumulated depreciation as of year-end. Annual depreciation of this asset is included in depreciation expense.

Debt service requirements to maturity on the Sanitation Fund's capital lease are as follows:

<u>Year Ending</u> <u>June 30,</u>	
2021	\$ 139,291
2022	<u>104,468</u>
Total minimum lease payments	243,759
Less amount representing interest	<u>(5,693)</u>
Present value of future minimum lease payments	238,066
Less current maturities	<u>134,717</u>
Long term liabilities	<u><u>\$ 103,349</u></u>

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2020, is as follows:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General fund	Other governmental funds	\$ 64,325
Other governmental funds	General fund	154,752
Other governmental funds	Sanitation fund	<u>67,870</u>
		<u><u>\$ 286,947</u></u>

These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The composition of transfers to/from during the year ended June 30, 2020 is as follows:

Transfers in	Transfers Out			Total
	General Fund	Sanitation Fund	Other Governmental Funds	
General fund	\$ -	\$ 100,000	\$ 536,541	\$ 636,541
SPLOST 2016	967,037	2,069,121	-	3,036,158
Other Governmental Funds	1,255,726	-	180,000	1,435,726
	<u>\$ 2,222,763</u>	<u>\$ 2,169,121</u>	<u>\$ 716,541</u>	<u>\$ 5,108,425</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. JOINT VENTURE

Under Georgia law, the City in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in an ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an ARC. Separate financial statements may be obtained from the Atlanta Regional Commission, 40 Courtland Street NE, Atlanta, Georgia 30303.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Douglasville Retirement Plan), covering all of the City’s full-time employees. The City’s pension plan is administered through the Georgia Municipal Employee Benefits System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, and death benefits to plan members and beneficiaries. All City employees, including elected officials, are eligible to participate in the Plan on the date of full-time employment (i.e., there is no waiting period to enroll in the Plan). Benefits are considered fully vested after five (5) years of service. Normal retirement is considered to be at age 65 with 5 years of service and participants may elect early retirement at age 55 with 10 years of service. The benefit is calculated based on total years of service and a 1.75% multiplier times their final average earnings for the 5 highest consecutive years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan Membership. As of January 1, 2020, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	122
Inactive plan members entitled to but not receiving benefits	128
Active plan members	245
Total plan membership	495

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. Currently, active employees do not contribute to the Plan. For the year ended June 30, 2020, the City’s recommended contribution rate was 7.98% of annual payroll; actual contributions came to 7.40%.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (Continued)

City contributions to the Plan were \$873,792 for the year ended June 30, 2020.

Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020.

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

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

Mortality rates for the January 1, 2020 valuation were based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study conducted in November and December of 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized below.

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.41%
International equity	20%	6.96
Domestic fixed income	20%	1.96
Global fixed income	5%	3.06
Real estate	10%	4.76
Cash	—%	
Total	<u>100%</u>	

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.375%, a decrease from the discount rate of 7.50% used in the prior year. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended June 30, 2020 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/19	\$ 35,711,362	\$ 34,137,066	\$ 1,574,296
Changes for the year:			
Service cost	517,922	-	517,922
Interest	2,655,705	-	2,655,705
Differences between expected and actual experience	1,262,479	-	1,262,479
Contributions—employer	-	923,923	(923,923)
Net investment income	-	994,449	(994,449)
Benefit payments, including refunds of employee contributions	(1,639,780)	(1,639,780)	-
Administrative expense	-	(59,205)	59,205
Changes in actuarial assumptions	1,676,451	-	1,676,451
Net changes	4,472,777	219,387	4,253,390
Balances at 6/30/20	\$ 40,184,139	\$ 34,356,453	\$ 5,827,686

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

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

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 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375 percent) or 1-percentage-point higher (8.375 percent) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 11,395,006	\$ 5,827,686	\$ 1,235,454

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2019 and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2020, the City recognized pension expense of \$1,428,440. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,454,818	\$ (214,756)
Differences resulting from changes in actuarial assumptions	1,257,339	(253,948)
Net difference between projected and actual earnings on pension plan investments	-	(223,865)
City contributions subsequent to the measurement date	873,792	-
Total	\$ 3,585,949	\$ (692,569)

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of \$873,792 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2021	\$	423,037
2022		401,276
2023		887,922
2024		307,353
Total	\$	<u>2,019,588</u>

NOTE 12. RISK MANAGEMENT

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

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

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

Settled claims in the past three years have not exceeded insurance coverage.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 13. COMMITMENTS AND CONTINGENCIES

A. Litigation

The City is involved in various claims and matters of litigation which, in the opinion of the City Attorney, the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

B. Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies.

C. Commitments

The City has executed contracts with third parties for various projects throughout the City. As of June 30, 2020, the balance of those contracts representing commitments made by the City for work not yet completed is \$1,244,041.

NOTE 14. HOTEL/MOTEL LODGING TAX

Under the provisions of the Official Code of Georgia Annotated (OCGA) Section §48-13-51, the City has imposed and collected hotel/motel taxes at a rate of 8%. The Code section requires that the City expend a percentage of the taxes collected for the purpose of promoting tourism, conventions, trade shows, etc., and promoting the City and business therein. During the year ended June 30, 2020, the City expended for promotional purposes approximately 100% of such taxes collected.

The following is a summary of the collections and expenditures for the year ended June 30, 2020:

Total Collected	\$1,503,248
Amount Expended for Promotional Purposes	1,503,248

NOTE 15. RENTAL CAR EXCISE TAX

Under the provisions of the Official Code of Georgia Annotated (OCGA) Section §48-13-93, the City has imposed an excise tax on the rental of motor vehicles within the City. The Code section requires that the City expend these funds for the acquisition, construction, renovation, improvement, maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety or public improvements for sports and recreational facilities.

The following is a summary of the collections and expenditures for the year ended June 30, 2020:

Total Collected	\$167,151
Amount Expended for Recreational Facilities	180,000

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 16. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City of Douglasville Other Postemployment Benefits Plan (the “OPEB Plan”) is a defined benefit postretirement health care, prescription drug, and life insurance plan. The OPEB Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent-multiple employer OPEB Plan administered by the Georgia Municipal Association (GMA). The City Council has the authority to establish and amend the OPEB Plan, including any amendments to the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. However, the GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS as a whole. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Eligibility. Everyone who retires from the City is eligible for life insurance benefits, regardless of length of service. For medical, dental and vision coverage, the retiree must be hired prior to January 1, 2016, continue coverage immediately upon retirement, and meet at least one of the following criteria:

- Retire on or after age 65 with at least 5 years of service;
- Retire on or after age 55 with at least 10 years of service;
- Retire as a police officer and be at least age 50 with at least 25 years of service; or
- Be hired prior to 2006 and have age plus service equal to 75 or more.

Based on the criteria noted above, the OPEB Plan was effectively closed to new entrants for medical, dental, and vision coverage as of January 1, 2016.

Benefits. Medical, prescription drug, dental and life benefits are provided to all eligible retirees depending upon whether the retiree had medical, prescription drug, dental and life benefits at the time of retirement. Benefits are payable for the duration of the retiree’s life and include spousal benefits as well at the same level as the retiree. The portion of the monthly premium paid by the City and the retiree will vary depending on the plan selected by the retiree (PPO, HMO, etc.). Benefits are payable to a surviving spouse for one (1) year after the retiree’s death.

Plan Membership. As of January 1, 2019, the date of the most recent actuarial valuation, OPEB plan membership consisted of the following:

Retirees and spouses currently receiving benefits	75
Active employees	248
Total plan membership	323

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 16. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

City Contributions

The City has elected to fund the OPEB plan on a pay-as-you-go basis. OPEB plan members, once retired, contribute to the OPEB plan based on numbers of years of creditable service and level/type of benefits selected. Per a resolution of the City Council, the City is required to contribute the current year benefits costs of the OPEB plan which are not paid by the retiree. For the year ended June 30, 2020, the City contributed \$483,475 for the pay as you go benefits of the OPEB plan.

Total OPEB Liability of the City

The City's total OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of January 1, 2019 with the actuary using standard techniques to roll forward the liability to the measurement date.

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

Discount Rate:	3.50%
Healthcare Cost Trend Rate:	7.00% - 4.50%, Ultimate Trend in 2029 (Medical and drug) 6.60% - 4.50%, Ultimate Trend in 2027 (Medicare Advantage) 3.00% Dental
Inflation Rate:	2.25%
Salary increase:	2.25% plus service based merit increases
Participation rate:	95%

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

The Pri-2012 head count weighted Health Retiree Mortality was determined to contain sufficient provision appropriate to reasonably reflect future mortality improvement, based on results of an actuarial experience study for the period January 1, 2015 through June 30, 2019. Mortality experience will be reviewed periodically and updated if necessary.

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 16. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability of the City (Continued)

Discount rate. The discount rate used to measure the total OPEB liability was 3.50%, a decrease from the prior year of 3.87%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.50% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2019.

Changes in the Total OPEB Liability of the City. The changes in the total OPEB liability of the City for the year ended June 30, 2020, were as follows:

	Total OPEB Liability (a)
Balances at 6/30/19	\$ 23,740,779
Changes for the year:	
Service cost	1,066,754
Interest	952,400
Change of benefit terms	(168,685)
Differences between expected and actual experience	(1,634,425)
Assumption changes	3,234,478
Benefit payments	(395,430)
Net changes	3,055,092
Balances at 6/30/20	\$ 26,795,871

The required schedule of changes in the City’s total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1 percentage-point higher (4.50%) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB liability	\$ 31,247,821	\$ 26,795,871	\$ 23,203,084

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 16. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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 noted above in the actuarial assumptions:

	1% Decrease in Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Healthcare Cost Trend Rates
Net OPEB liability	\$ 23,072,816	\$ 26,795,871	\$ 31,504,670

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2020 and the current sharing pattern of costs between employer and inactive employees.

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$1,463,671. At June 30, 2020, 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
Contributions subsequent to the measurement date	\$ 483,475	\$ -
Differences between expected and actual experience	-	1,664,197
Changes in assumptions	2,772,408	2,376,302
Total	\$ 3,255,883	\$ 4,040,499

City contributions subsequent to the measurement date of \$483,475 will reduce the total OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2021	\$ (386,798)
2022	(386,798)
2023	(386,798)
2024	(386,798)
2025	50,522
Thereafter	228,579
Total	\$(1,268,091)

CITY OF DOUGLASVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 17. TAX ABATEMENTS

The City, through its Development Authority, enters into property tax abatement agreements with local businesses under the economic development laws of the State of Georgia. Under these laws, localities may grant property tax abatements for the purpose of attracting businesses within their jurisdiction.

For the fiscal year ended June 30, 2020, the City abated property tax revenues totaling \$248,827 under its economic development program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- A 80% abatement on real property taxes to a distribution company amounting to \$50,759. In exchange for the tax incentives, the company has committed to creating at least 115 full-time jobs.
- A 100% abatement on personal property taxes and a second 55% abatement on personal property taxes to a medical products manufacturing company amounting to \$189,529. In exchange for the tax incentives, the company has committed to creating at least 138 and 57 new full-time jobs, respectively, with a minimum average hourly rate of \$18.75.

For each of the above agreements, the mechanism by which the taxes are being abated is a reduction of assessed value. Furthermore, if either of the companies fail to meet the economic investment targets, the percentage of assessed value being reduced will be changed based on a sliding scale. For any period in which the actual amount of abated taxes exceeds the adjusted amount per the sliding scale, a payment-in-lieu-of-tax (PILOT) payment will be required to be made for the difference.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF DOUGLASVILLE, GEORGIA
GENERAL FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 25,575,013	\$ 25,092,781	\$ 25,413,085	\$ 320,304
Licenses and permits	3,380,692	3,551,964	3,400,336	(151,628)
Intergovernmental revenues	-	-	14,163	14,163
Fines and forfeitures	1,875,997	1,239,157	1,485,043	245,886
Charges for services	1,749,200	1,379,366	1,372,023	(7,343)
Interest income	325,000	325,000	286,965	(38,035)
Contributions	12,900	5,525	5,911	386
Miscellaneous	246,098	279,701	327,289	47,588
Total revenues	<u>33,164,900</u>	<u>31,873,494</u>	<u>32,304,815</u>	<u>431,321</u>
Expenditures:				
Current:				
General Government:				
Mayor and Council				
Personal services	184,456	201,456	199,287	2,169
Other operating expenditures	152,370	155,370	74,982	80,388
Total Mayor and Council	<u>336,826</u>	<u>356,826</u>	<u>274,269</u>	<u>82,557</u>
Clerk of Council				
Personal services	158,550	160,615	155,440	5,175
Other operating expenditures	70,248	45,867	34,330	11,537
Total Clerk of Council	<u>228,798</u>	<u>206,482</u>	<u>189,770</u>	<u>16,712</u>
City Manager				
Personal services	559,755	567,976	536,706	31,270
Other operating expenditures	64,392	61,304	56,897	4,407
Total City Manager	<u>624,147</u>	<u>629,280</u>	<u>593,603</u>	<u>35,677</u>
Financial administration				
Personal services	559,566	605,891	521,892	83,999
Other operating expenditures	211,796	210,663	186,161	24,502
Total Financial administration	<u>771,362</u>	<u>816,554</u>	<u>708,053</u>	<u>108,501</u>
Legal				
Personal services	144,928	147,998	144,003	3,995
Other operating expenditures	163,685	105,570	75,793	29,777
Total Legal	<u>308,613</u>	<u>253,568</u>	<u>219,796</u>	<u>33,772</u>
Information services				
Personal services	181,849	206,575	160,914	45,661
Other operating expenditures	1,123,561	945,333	891,469	53,864
Capital outlay	427,250	1,456,267	1,456,109	158
Total Information services	<u>1,732,660</u>	<u>2,608,175</u>	<u>2,508,492</u>	<u>99,683</u>

Continued

**CITY OF DOUGLASVILLE, GEORGIA
GENERAL FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Human resources				
Personal services	\$ 484,889	\$ 431,613	\$ 411,823	\$ 19,790
Other operating expenditures	174,790	202,021	172,856	29,165
Total Human resources	<u>659,679</u>	<u>633,634</u>	<u>584,679</u>	<u>48,955</u>
Building and grounds				
Personal services	477,081	391,355	427,906	(36,551)
Other operating expenditures	199,057	228,307	217,784	10,523
Total Building and grounds	<u>676,138</u>	<u>619,662</u>	<u>645,690</u>	<u>(26,028)</u>
Communications				
Personal services	587,477	611,899	598,228	13,671
Other operating expenditures	178,181	146,602	122,023	24,579
Capital outlay	18,100	8,011	4,744	3,267
Total Communications	<u>783,758</u>	<u>766,512</u>	<u>724,995</u>	<u>41,517</u>
Engineering				
Personal services	66,797	63,727	62,030	1,697
Other operating expenditures	25,000	83,404	83,404	-
Total Engineering	<u>91,797</u>	<u>147,131</u>	<u>145,434</u>	<u>1,697</u>
General administration				
Personal services	859,028	632,740	630,717	2,023
Other operating expenditures	2,792,695	2,586,918	2,586,340	578
Total General administration	<u>3,651,723</u>	<u>3,219,658</u>	<u>3,217,057</u>	<u>2,601</u>
Total general government	<u>9,865,501</u>	<u>10,257,482</u>	<u>9,811,838</u>	<u>445,644</u>
Judicial:				
Municipal court				
Personal services	496,977	510,478	490,144	20,334
Other operating expenditures	297,684	289,088	267,719	21,369
Capital Outlay	2,330	2,330	1,612	718
Total Municipal court	<u>796,991</u>	<u>801,896</u>	<u>759,475</u>	<u>42,421</u>
Total Judicial	<u>796,991</u>	<u>801,896</u>	<u>759,475</u>	<u>42,421</u>
Public Safety:				
Police				
Personal services	9,524,495	9,468,229	9,287,147	181,082
Other operating expenditures	3,023,404	2,601,095	2,475,998	125,097
Capital outlay	794,110	747,559	723,054	24,505
Total Police	<u>13,342,009</u>	<u>12,816,883</u>	<u>12,486,199</u>	<u>330,684</u>
Total Public Safety	<u>13,342,009</u>	<u>12,816,883</u>	<u>12,486,199</u>	<u>330,684</u>

Continued

**CITY OF DOUGLASVILLE, GEORGIA
GENERAL FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Public Works:				
Street Maintenance				
Personal services	\$ 895,834	\$ 880,504	\$ 841,515	\$ 38,989
Other operating expenditures	891,318	793,910	1,303,814	(509,904)
Capital outlay	168,000	209,995	104,665	105,330
Total Street Maintenance	<u>1,955,152</u>	<u>1,884,409</u>	<u>2,249,994</u>	<u>(365,585)</u>
Garage				
Personal services	207,593	177,498	168,265	9,233
Other operating expenditures	131,475	60,306	42,044	18,262
Capital outlay	20,000	21,093	21,093	-
Total Garage	<u>359,068</u>	<u>258,897</u>	<u>231,402</u>	<u>27,495</u>
Total Public Works	<u>2,314,220</u>	<u>2,143,306</u>	<u>2,481,396</u>	<u>(338,090)</u>
Culture and Recreation:				
Parks Administration				
Personal services	589,536	614,313	520,624	93,689
Other operating expenditures	301,514	275,723	207,887	67,836
Total Parks Administration	<u>891,050</u>	<u>890,036</u>	<u>728,511</u>	<u>161,525</u>
Parks Maintenance				
Personal services	419,122	308,067	288,001	20,066
Other operating expenditures	453,636	563,591	540,799	22,792
Capital outlay	102,500	95,500	95,050	450
Total Parks Maintenance	<u>975,258</u>	<u>967,158</u>	<u>923,850</u>	<u>43,308</u>
Jessie Davis Park				
Personal services	314,340	235,784	227,081	8,703
Other operating expenditures	76,840	76,840	54,469	22,371
Total Jessie Davis Park	<u>391,180</u>	<u>312,624</u>	<u>281,550</u>	<u>31,074</u>
West Pines Golf Course				
Personal services	799,804	770,721	737,860	32,861
Other operating expenditures	475,204	494,829	493,184	1,645
Capital outlay	161,000	47,500	45,678	1,822
Total West Pines Golf Course	<u>1,436,008</u>	<u>1,313,050</u>	<u>1,276,722</u>	<u>36,328</u>
Town Green				
Other operating expenditures	50,759	23,759	15,630	8,129
Total Town Green	<u>50,759</u>	<u>23,759</u>	<u>15,630</u>	<u>8,129</u>
Total Culture and Recreation	<u>3,744,255</u>	<u>3,506,627</u>	<u>3,226,263</u>	<u>280,364</u>

Continued

**CITY OF DOUGLASVILLE, GEORGIA
GENERAL FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Housing and Development:				
Inspections				
Personal services	\$ 314,729	\$ 275,035	\$ 253,109	\$ 21,926
Other operating expenditures	35,185	81,427	71,015	10,412
Total Inspections	<u>349,914</u>	<u>356,462</u>	<u>324,124</u>	<u>32,338</u>
Planning and Zoning				
Personal services	347,713	272,040	242,029	30,011
Other operating expenditures	56,928	260,222	244,846	15,376
Total Planning and Zoning	<u>404,641</u>	<u>532,262</u>	<u>486,875</u>	<u>45,387</u>
Code Enforcement				
Personal services	325,474	337,696	315,291	22,405
Other operating expenditures	20,060	22,965	15,826	7,139
Total Code Enforcement	<u>345,534</u>	<u>360,661</u>	<u>331,117</u>	<u>29,544</u>
Community Development				
Personal services	246,598	259,007	254,920	4,087
Other operating expenditures	95,432	189,202	173,883	15,319
Total Community Development	<u>342,030</u>	<u>448,209</u>	<u>428,803</u>	<u>19,406</u>
Total Housing and Development	<u>1,442,119</u>	<u>1,697,594</u>	<u>1,570,919</u>	<u>126,675</u>
Debt Service:				
Principal	425,236	475,197	474,520	677
Interest	97,843	134,132	132,374	1,758
Total debt service	<u>523,079</u>	<u>609,329</u>	<u>606,894</u>	<u>2,435</u>
Total expenditures	<u>32,028,174</u>	<u>31,833,117</u>	<u>30,942,984</u>	<u>890,133</u>
Excess (deficiency) of revenues over expenditures	<u>1,136,726</u>	<u>40,377</u>	<u>1,361,831</u>	<u>1,321,454</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	500	500
Proceeds from the issuance of long term debt	-	-	546,350	546,350
Transfers in	100,000	2,287,386	636,541	(1,650,845)
Transfers out	(1,236,726)	(2,327,763)	(2,222,763)	105,000
Total other financing sources (uses)	<u>(1,136,726)</u>	<u>(40,377)</u>	<u>(1,039,372)</u>	<u>(998,995)</u>
Net change in fund balance	-	-	322,459	322,459
Fund balances, beginning of year	<u>17,661,261</u>	<u>17,661,261</u>	<u>17,661,261</u>	<u>-</u>
Fund balances, end of year	<u>\$ 17,661,261</u>	<u>\$ 17,661,261</u>	<u>\$ 17,983,720</u>	<u>\$ 322,459</u>

**CITY OF DOUGLASVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
CITY OF DOUGLASVILLE RETIREMENT PLAN**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability						
Service cost	\$ 517,922	\$ 539,128	\$ 525,247	\$ 533,286	\$ 497,420	\$ 550,294
Interest on total pension liability	2,655,705	2,571,950	2,481,442	2,270,884	2,139,272	2,094,469
Differences between expected and actual experience	1,262,479	(429,512)	774,375	991,040	(167,287)	(669,619)
Changes of assumptions	1,676,451	-	(634,870)	-	-	(332,866)
Changes of benefit terms	-	-	-	274,636	439,139	2,683
Benefit payments, including refunds of employee contributions	(1,639,780)	(1,447,495)	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
Net change in total pension liability	<u>4,472,777</u>	<u>1,234,071</u>	<u>1,771,170</u>	<u>2,738,943</u>	<u>1,818,791</u>	<u>600,990</u>
Total pension liability - beginning	<u>\$ 35,711,362</u>	<u>\$ 34,477,291</u>	<u>\$ 32,706,121</u>	<u>29,967,178</u>	<u>28,148,387</u>	<u>27,547,397</u>
Total pension liability - ending (a)	<u>\$ 40,184,139</u>	<u>\$ 35,711,362</u>	<u>\$ 34,477,291</u>	<u>\$ 32,706,121</u>	<u>\$ 29,967,178</u>	<u>\$ 28,148,387</u>
Plan fiduciary net position						
Contributions - employer	\$ 923,923	\$ 875,663	\$ 817,751	\$ 744,784	\$ 756,309	\$ 851,364
Contributions - employee	-	-	-	45,462	34,663	-
Net investment income	994,449	3,120,799	4,188,234	2,859,566	303,266	2,668,243
Benefit payments, including refunds of member contributions	(1,639,780)	(1,447,495)	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
Administrative expenses	(59,205)	(61,715)	(65,126)	(38,372)	(42,494)	(33,695)
Net change in plan fiduciary net position	<u>219,387</u>	<u>2,487,252</u>	<u>3,565,835</u>	<u>2,280,537</u>	<u>(38,009)</u>	<u>2,441,941</u>
Plan fiduciary net position - beginning	<u>34,137,066</u>	<u>31,649,814</u>	<u>28,083,979</u>	<u>25,803,442</u>	<u>25,841,451</u>	<u>23,399,510</u>
	<u>\$ 34,356,453</u>	<u>\$ 34,137,066</u>	<u>\$ 31,649,814</u>	<u>\$ 28,083,979</u>	<u>\$ 25,803,442</u>	<u>\$ 25,841,451</u>
City's net pension liability - ending (a) - (b)	<u>\$ 5,827,686</u>	<u>\$ 1,574,296</u>	<u>\$ 2,827,477</u>	<u>\$ 4,622,142</u>	<u>\$ 4,163,736</u>	<u>\$ 2,306,936</u>
Plan fiduciary net position as a percentage of the total pension liability	85.50%	95.59%	91.80%	85.87%	86.11%	91.80%
Covered payroll	\$ 8,097,619	\$ 10,646,935	\$ 9,952,049	\$ 9,680,685	\$ 8,950,694	\$ 8,713,629
City's net pension liability as a percentage of covered payroll	71.97%	14.79%	28.41%	47.75%	46.52%	26.48%

Notes to the Schedule:

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

**CITY OF DOUGLASVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
CITY OF DOUGLASVILLE RETIREMENT PLAN**

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 873,792	\$ 933,949	\$ 864,006	\$ 807,180	\$ 732,305	\$ 761,110
Contributions in relation to the actuarially determined contribution	873,792	1,089,607	865,105	868,206	735,755	763,749
Contribution deficiency (excess)	\$ -	\$ (155,658)	\$ (1,099)	\$ (61,026)	\$ (3,450)	\$ (2,639)
Covered payroll	\$11,805,232	\$ 10,796,825	\$ 10,596,972	\$ 9,737,074	\$ 9,661,889	\$ 8,713,629
Contributions as a percentage of covered payroll	7.40%	10.09%	8.16%	8.92%	7.62%	8.76%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2019
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost-of-living Adjustment	2.25% for employees hired on or before 10/2/2006; 0.00% otherwise
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

(2) Benefit Changes:

- (a) An early retirement window (ERIP) was offered between 8/18/2015 and 1/24/2016.
- (b) Effective 8/1/2014, Police have an alternate normal retirement eligibility at age 50 with 25 years of service.
- (c) Effective 1/1/2015, the Plan was amended to provide for immediate participation for employees.
- (d) Effective 4/5/2016, all employees (employed on or after 4/5/2016) have a flat benefit multiplier of 1.75% for all years of service.

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

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 1,066,754	\$ 1,084,483	\$ 1,279,279
Interest on total OPEB liability	952,400	869,290	736,593
Differences between expected and actual experience	(1,634,425)	(195,291)	(216,594)
Changes of assumptions	3,234,478	(1,051,103)	(2,844,647)
Changes in benefit terms	(168,685)	-	-
Benefit payments	(395,430)	(327,943)	(318,771)
Net change in total OPEB liability	<u>3,055,092</u>	<u>379,436</u>	<u>(1,364,140)</u>
Total OPEB liability - beginning	<u>23,740,779</u>	<u>23,361,343</u>	<u>24,725,483</u>
Total OPEB liability - ending (a)	<u>\$ 26,795,871</u>	<u>\$ 23,740,779</u>	<u>\$ 23,361,343</u>
Covered employee payroll	\$ 11,805,232	\$ 10,080,226	\$ 10,080,226
Total OPEB liability as a percentage of covered employee payroll	226.98%	235.52%	231.75%

Notes to the Schedule:

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

The City is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Multiple Grant Fund – This fund accounts for the restricted revenue streams resulting from various capital and operating grants awarded to the City.

Hotel/Motel Tax Fund – This fund accounts for the collection of the restricted portion of hotel/motel taxes as required by the Official Code of Georgia Annotated (OCGA) §48-13-51.

Rental Car Excise Tax Fund – This fund accounts for the rental car excise taxes collected that are restricted for construction of convention centers, public safety, and recreation facilities by State of Georgia law.

Public Purpose Corporation Fund – This fund accounts for the debt service payments on the Series 2005 revenue bonds which were used to construct a public service building. Paragraph 54 of Governmental Accounting Standards Board (GASB) Statement No. 14 requires the general fund of a blended component unit to be reported as a special revenue fund of the primary government.

GEMA Flood Fund – This fund is used to account for a grant awarded to the City for improvements and restoration needed subsequent to damage incurred as a result of flooding.

Confiscated Assets Fund – This fund accounts for the cash received either as a result of cash confiscation or cash received from a sale of capital assets acquired from drug raids.

Capital Projects Funds

Conference Center Fund – This fund was used to account for the construction of a conference center by bond proceeds. This purpose was completed and the fund was closed during the fiscal year 2020.

Debt Service Funds

Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

CITY OF DOUGLASVILLE, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

ASSETS	Special Revenue Funds			
	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation
Cash and cash equivalents	\$ 540,925	\$ 1,317,176	\$ 50,092	\$ 127,916
Investments	-	-	-	-
Receivables, net:				
Taxes receivable	-	109,401	14,509	-
Other receivables	-	452	19	-
Due from other funds	-	222,622	-	-
Due from other governments	32,094	-	-	-
Prepaid items	-	39,491	-	-
Total assets	\$ 573,019	\$ 1,689,142	\$ 64,620	\$ 127,916
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 17,913	\$ -	\$ 167
Accrued liabilities	-	6,051	-	-
Due to other funds	-	41,025	-	23,300
Total liabilities	-	64,989	-	23,467
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Nonspendable:				
Prepaid items	-	39,491	-	-
Restricted for:				
Law enforcement	-	-	-	-
Promotion of tourism	-	1,584,662	64,620	-
Capital projects	573,019	-	-	-
Debt service	-	-	-	104,449
Total fund balances	573,019	1,624,153	64,620	104,449
Total liabilities, deferred inflows of resources, and fund balances	\$ 573,019	\$ 1,689,142	\$ 64,620	\$ 127,916

Special Revenue Funds		Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
GEMA Flood	Confiscated Assets	Conference Center		
\$ -	\$ 627,650	\$ -	\$ 654,963	\$ 3,318,722
-	1,042,769	-	-	1,042,769
-	-	-	22,178	146,088
-	9	-	292	772
-	-	-	-	222,622
-	-	-	6,119	38,213
-	-	-	-	39,491
<u>\$ -</u>	<u>\$ 1,670,428</u>	<u>\$ -</u>	<u>\$ 683,552</u>	<u>\$ 4,808,677</u>
\$ -	\$ 24,281	\$ -	\$ -	\$ 42,361
-	-	-	-	6,051
-	-	-	-	64,325
-	24,281	-	-	112,737
-	-	-	19,235	19,235
-	-	-	-	39,491
-	1,646,147	-	-	1,646,147
-	-	-	-	1,649,282
-	-	-	-	573,019
-	-	-	664,317	768,766
-	1,646,147	-	664,317	4,676,705
<u>\$ -</u>	<u>\$ 1,670,428</u>	<u>\$ -</u>	<u>\$ 683,552</u>	<u>\$ 4,808,677</u>

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

	Special Revenue Funds			
	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation
Revenues:				
Taxes	\$ -	\$ 1,503,248	\$ 167,151	\$ -
Charges for services	-	198,264	-	-
Intergovernmental	562,331	-	-	543,320
Fines and forfeitures	-	-	-	-
Contributions	6,262	-	-	-
Interest income	1,653	8,136	289	1,029
Miscellaneous	-	235,245	-	-
Total revenues	570,246	1,944,893	167,440	544,349
Expenditures:				
Current:				
General government	44,323	-	-	17,597
Public safety	114,269	-	-	-
Public works	411,989	-	-	-
Culture and recreation	-	1,351,739	-	-
Housing and development	73,514	-	-	-
Debt service:				
Principal retirement	-	530,000	-	408,405
Interest and fiscal charges	-	423,920	-	124,955
Total expenditures	644,095	2,305,659	-	550,957
Excess (deficiency) of revenues over expenditures	(73,849)	(360,766)	167,440	(6,608)
Other financing sources (uses):				
Transfers in	41,350	1,394,376	-	-
Transfers out	-	(523,994)	(180,000)	-
Total other financing sources (uses)	41,350	870,382	(180,000)	-
Net change in fund balances	(32,499)	509,616	(12,560)	(6,608)
Fund balances, beginning of year	605,518	1,114,537	77,180	111,057
Fund balances, end of year	\$ 573,019	\$ 1,624,153	\$ 64,620	\$ 104,449

Special Revenue Funds		Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
GEMA Flood	Confiscated Assets	Conference Center		
\$ -	\$ -	\$ -	\$ 1,660,807	\$ 3,331,206
-	-	-	-	198,264
-	-	-	-	1,105,651
-	222,918	-	-	222,918
-	-	-	-	6,262
-	19,367	-	2,944	33,418
-	1,685	-	-	236,930
-	243,970	-	1,663,751	5,134,649
-	-	-	-	61,920
-	175,475	-	-	289,744
-	-	-	-	411,989
-	-	-	-	1,351,739
-	-	-	-	73,514
-	-	-	1,170,000	2,108,405
-	-	-	460,551	1,009,426
-	175,475	-	1,630,551	5,306,737
-	68,495	-	33,200	(172,088)
-	-	-	-	1,435,726
(12,542)	-	(5)	-	(716,541)
(12,542)	-	(5)	-	719,185
(12,542)	68,495	(5)	33,200	547,097
12,542	1,577,652	5	631,117	4,129,608
\$ -	\$ 1,646,147	\$ -	\$ 664,317	\$ 4,676,705

CITY OF DOUGLASVILLE, GEORGIA
MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 850,350	\$ 878,637	\$ 562,331	\$ (316,306)
Contributions	-	-	6,262	6,262
Investment income	-	-	1,653	1,653
Total revenues	<u>850,350</u>	<u>878,637</u>	<u>570,246</u>	<u>(310,044)</u>
Expenditures:				
Current:				
General government	20,000	58,157	44,323	13,834
Public safety	129,200	138,330	114,269	24,061
Public works	824,342	824,342	411,989	412,353
Housing and development	395,000	395,000	73,514	321,486
Total expenditures	<u>1,368,542</u>	<u>1,415,829</u>	<u>644,095</u>	<u>771,734</u>
Excess (Deficiency) of revenues over expenditures	(518,192)	(537,192)	(73,849)	463,343
Other financing sources:				
Issuance of long term debt	495,842	495,842	-	(495,842)
Transfers in	22,350	41,350	41,350	-
Total other financing sources	<u>518,192</u>	<u>537,192</u>	<u>41,350</u>	<u>(495,842)</u>
Net changes in fund balance	-	-	(32,499)	(32,499)
Fund balances, beginning of year	<u>605,518</u>	<u>605,518</u>	<u>605,518</u>	<u>-</u>
Fund balances, end of year	<u>\$ 605,518</u>	<u>\$ 605,518</u>	<u>\$ 573,019</u>	<u>\$ (32,499)</u>

**CITY OF DOUGLASVILLE, GEORGIA
HOTEL/MOTEL TAX FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,257,000	\$ 1,257,000	\$ 1,503,248	\$ 246,248
Charges for services	235,950	235,950	198,264	(37,686)
Interest	-	-	8,136	8,136
Miscellaneous	224,306	224,306	235,245	10,939
Total revenues	<u>1,717,256</u>	<u>1,717,256</u>	<u>1,944,893</u>	<u>227,637</u>
Expenditures				
Current:				
Culture and recreation	2,147,233	2,146,683	1,351,739	794,944
Debt service:				
Principal retirement	530,000	530,550	530,000	550
Interest and fiscal charges	434,399	434,399	423,920	10,479
Total expenditures	<u>3,111,632</u>	<u>3,111,632</u>	<u>2,305,659</u>	<u>805,973</u>
Excess (deficiency) of revenues over expenditures	(1,394,376)	(1,394,376)	(360,766)	1,033,610
Other financing sources (uses):				
Transfers in	1,394,376	1,394,376	1,394,376	-
Transfers out	-	-	(523,994)	(523,994)
Total other financing sources (uses)	<u>1,394,376</u>	<u>1,394,376</u>	<u>870,382</u>	<u>(523,994)</u>
Net changes in fund balance	-	-	509,616	509,616
Fund balances, beginning of year	<u>1,114,537</u>	<u>1,114,537</u>	<u>1,114,537</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,114,537</u>	<u>\$ 1,114,537</u>	<u>\$ 1,624,153</u>	<u>\$ 509,616</u>

CITY OF DOUGLASVILLE, GEORGIA
RENTAL CAR EXCISE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 180,000	\$ 180,000	\$ 167,151	\$ (12,849)
Investment income	-	-	289	289
Total revenues	<u>180,000</u>	<u>180,000</u>	<u>167,440</u>	<u>(12,560)</u>
Other financing uses:				
Transfers out	<u>(180,000)</u>	<u>(180,000)</u>	<u>(180,000)</u>	-
Total other financing uses	<u>(180,000)</u>	<u>(180,000)</u>	<u>(180,000)</u>	-
Net changes in fund balance	-	-	(12,560)	(12,560)
Fund balances, beginning of year	<u>77,180</u>	<u>77,180</u>	<u>77,180</u>	-
Fund balances, end of year	<u><u>\$ 77,180</u></u>	<u><u>\$ 77,180</u></u>	<u><u>\$ 64,620</u></u>	<u><u>\$ (12,560)</u></u>

CITY OF DOUGLASVILLE, GEORGIA
PUBLIC PURPOSE CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budget</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues:				
Intergovernmental	\$ 543,321	\$ 543,321	\$ 543,320	\$ (1)
Interest income	1,200	1,200	1,029	(171)
Total revenues	<u>544,521</u>	<u>544,521</u>	<u>544,349</u>	<u>(172)</u>
Expenditures:				
Current:				
General government	25,000	25,000	17,597	7,403
Debt service:				
Principal retirement	408,405	408,405	408,405	-
Interest and fiscal charges	<u>111,116</u>	<u>111,116</u>	<u>124,955</u>	<u>(13,839)</u>
Total expenditures	<u>544,521</u>	<u>544,521</u>	<u>550,957</u>	<u>(6,436)</u>
Net changes in fund balance	-	-	(6,608)	(6,608)
Fund balances, beginning of year	<u>111,057</u>	<u>111,057</u>	<u>111,057</u>	<u>-</u>
Fund balances, end of year	<u>\$ 111,057</u>	<u>\$ 111,057</u>	<u>\$ 104,449</u>	<u>\$ (6,608)</u>

**CITY OF DOUGLASVILLE, GEORGIA
GEMA FLOOD FUND**

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

	Budget		Actual	Variance With
	Original	Final		Final Budget
Revenues:				
Intergovernmental revenues	\$ 106,535	\$ 106,535	\$ -	\$ (106,535)
Total revenues	<u>106,535</u>	<u>106,535</u>	<u>-</u>	<u>(106,535)</u>
Other financing uses:				
Transfers out				
Total other financing uses	<u>\$ 106,535</u>	<u>\$ 106,535</u>	<u>\$ 12,542</u>	<u>\$ 93,993</u>
Net changes in fund balance	-	-	(12,542)	(12,542)
Fund balances, beginning of year	<u>12,542</u>	<u>12,542</u>	<u>12,542</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 12,542</u></u>	<u><u>\$ 12,542</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (12,542)</u></u>

**CITY OF DOUGLASVILLE, GEORGIA
CONFISCATED ASSETS FUND**

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

	Confiscated Assets			
	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 9,000	\$ 9,000	\$ 222,918	\$ 213,918
Interest income	15,300	15,300	19,367	4,067
Miscellaneous	-	-	1,685	1,685
Total revenues	<u>24,300</u>	<u>24,300</u>	<u>243,970</u>	<u>219,670</u>
Expenditures:				
Current:				
Public safety	<u>327,500</u>	<u>327,500</u>	<u>175,475</u>	<u>152,025</u>
Total expenditures	<u>327,500</u>	<u>327,500</u>	<u>175,475</u>	<u>152,025</u>
Net changes in fund balance	(303,200)	(303,200)	68,495	371,695
Fund balances, beginning of year	<u>1,577,652</u>	<u>1,577,652</u>	<u>1,577,652</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ 1,274,452</u></u>	<u><u>\$ 1,274,452</u></u>	<u><u>\$ 1,646,147</u></u>	<u><u>\$ 371,695</u></u>

**CITY OF DOUGLASVILLE, GEORGIA
DEBT SERVICE FUND**

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,627,150	\$ 1,627,150	\$ 1,660,807	\$ 33,657
Investment income	5,000	5,000	2,944	(2,056)
Total revenues	<u>1,632,150</u>	<u>1,632,150</u>	<u>1,663,751</u>	<u>31,601</u>
Expenditures:				
Debt service:				
Principal retirement	1,170,000	1,170,000	1,170,000	-
Interest and fiscal charges	462,150	462,150	460,551	1,599
Total expenditures	<u>1,632,150</u>	<u>1,632,150</u>	<u>1,630,551</u>	<u>1,599</u>
Net changes in fund balance	-	-	33,200	33,200
Fund balances, beginning of year	<u>631,117</u>	<u>631,117</u>	<u>631,117</u>	<u>-</u>
Fund balances, end of year	<u>\$ 631,117</u>	<u>\$ 631,117</u>	<u>\$ 664,317</u>	<u>\$ 33,200</u>

**CITY OF DOUGLASVILLE, GEORGIA
CONFERENCE CENTER FUND**

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

	Conference Center			
	Budget		Actual	Variance With Final Budget
	Original	Final		
Other financing uses:				
Transfers out	\$ (5)	\$ (5)	\$ (5)	\$ -
Total other financing uses	(5)	(5)	(5)	-
Net changes in fund balance	(5)	(5)	(5)	-
Fund balances, beginning of year	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF DOUGLASVILLE, GEORGIA

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2020**

MUNICIPAL COURT	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
ASSETS				
Cash	\$ 55,997	\$ 466,827	\$ 477,205	\$ 45,619
TOTAL ASSETS	\$ 55,997	\$ 466,827	\$ 477,205	\$ 45,619
LIABILITIES				
Due to other governments and individuals	\$ 55,997	\$ 466,827	\$ 477,205	\$ 45,619
TOTAL LIABILITIES	\$ 55,997	\$ 466,827	\$ 477,205	\$ 45,619

CITY OF DOUGLASVILLE, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2016 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Percentage Complete</u>
Public Safety (20%)	\$ 7,500,800	\$ 7,572,190	\$ 2,535,922	\$ 2,036,030	\$ 4,571,952	60.38 %
Transportation and Streets (45%)	16,876,800	17,037,427	5,246,470	4,788,667	10,035,137	58.90
Facility and Infrastructure Improvements (15%)	5,625,600	5,689,514	4,182,868	1,506,647	5,689,515	100.00
Parks and Recreation (20%)	<u>7,500,800</u>	<u>7,572,191</u>	<u>1,316,251</u>	<u>1,358,369</u>	<u>2,674,620</u>	35.32
Total 2016 Issue	<u>\$ 37,504,000</u>	<u>\$ 37,871,322</u>	<u>\$ 13,281,511</u>	<u>\$ 9,689,713</u>	<u>\$ 22,971,224</u>	
Expenditures funded by transfers from General Fund and Solid Waste Fund				3,036,158		
Expenditures funded by use of existing fund balance				1,530,879		
Total SPLOST Fund Expenditures				<u>\$ 14,256,750</u>		

CITY OF DOUGLASVILLE, GEORGIA

BALANCE SHEET

COMPONENT UNIT - DOUGLASVILLE DEVELOPMENT AUTHORITY

JUNE 30, 2020

ASSETS	
Cash and cash equivalents	\$ 51,549
Accounts receivable	28
Prepaid items	<u>3,646</u>
Total assets	<u><u>\$ 55,223</u></u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	<u>\$ 23,339</u>
Total liabilities	<u>23,339</u>
 FUND BALANCE	
Fund balances:	
Nonspendable:	
Prepaid items	3,646
Unassigned	<u>28,238</u>
	<u>31,884</u>
Total liabilities and fund balance	<u><u>\$ 55,223</u></u>

CITY OF DOUGLASVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - DOUGLASVILLE DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Revenues	
Intergovernmental	\$ 93,000
Interest income	309
Total revenues	93,309
 Expenditures	
Current:	
Housing and development	147,963
Total expenditures	147,963
Net change in fund balance	(54,654)
 Fund balances, beginning of year	86,538
 Fund balances, end of year	\$ 31,884

STATISTICAL SECTION

(Unaudited)

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

City of Douglasville, Georgia
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in capital assets	\$ 65,423,890	\$ 67,152,166	\$ 64,611,565	\$ 64,633,326	\$ 64,472,022	\$ 64,515,086	\$ 64,221,327	\$ 67,123,600	\$ 71,092,887	\$ 76,525,370
Restricted	4,516,907	4,458,968	3,896,412	3,214,142	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665
Unrestricted	4,602,812	80,364	(3,106,956)	(8,544,416)	(7,106,171)	(6,908,885)	(17,458,063)	(14,886,166)	(11,622,846)	(13,614,180)
Total governmental activities net position	<u>\$ 74,543,609</u>	<u>\$ 71,691,498</u>	<u>\$ 65,401,021</u>	<u>\$ 59,303,052</u>	<u>\$ 60,588,890</u>	<u>\$ 61,024,979</u>	<u>\$ 50,421,307</u>	<u>\$ 58,763,278</u>	<u>\$ 68,153,027</u>	<u>\$ 71,459,855</u>
Business-type activities										
Net Investment in capital assets	\$ 799,371	\$ 1,402,308	\$ 1,352,601	\$ 1,299,214	\$ 1,372,590	\$ 1,367,872	\$ 1,374,200	\$ 1,507,616	\$ 4,565,218	\$ 8,711,792
Unrestricted	2,989,304	2,531,539	2,826,979	2,954,370	3,374,718	3,978,860	4,206,517	4,349,246	3,169,371	1,605,736
Total business-type activities net position	<u>\$ 3,788,675</u>	<u>\$ 3,933,847</u>	<u>\$ 4,179,580</u>	<u>\$ 4,253,584</u>	<u>\$ 4,747,308</u>	<u>\$ 5,346,732</u>	<u>\$ 5,580,717</u>	<u>\$ 5,856,862</u>	<u>\$ 7,734,589</u>	<u>\$ 10,317,528</u>
Primary government										
Net Investment in capital assets	\$ 66,223,261	\$ 68,554,474	\$ 65,964,166	\$ 65,932,540	\$ 65,844,612	\$ 65,882,958	\$ 65,595,527	\$ 68,631,216	\$ 75,658,105	\$ 85,237,162
Restricted	4,516,907	4,458,968	3,896,412	3,214,142	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665
Unrestricted	7,592,116	2,611,903	(279,977)	(5,590,046)	(3,731,453)	(2,930,025)	(13,251,546)	(10,536,920)	(8,453,475)	(12,008,444)
Total primary government net position	<u>\$ 78,332,284</u>	<u>\$ 75,625,345</u>	<u>\$ 69,580,601</u>	<u>\$ 63,556,636</u>	<u>\$ 65,336,198</u>	<u>\$ 66,371,711</u>	<u>\$ 56,002,024</u>	<u>\$ 64,620,140</u>	<u>\$ 75,887,616</u>	<u>\$ 81,777,383</u>

Notes:

- Restatement to 2012's ending net position as a result of implementing GASB Statement 65.
- Restatement to 2014's ending net position as a result of implementing GASB Statement 68.
- Restatement to 2017's ending net position as a result of implementing GASB Statement 75.

City of Douglasville, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities:										
General government	\$ 5,202,563	\$ 5,177,481	\$ 5,733,608	\$ 4,809,968	\$ 6,069,013	\$ 7,020,218	\$ 9,747,658	\$ 8,842,137	\$ 12,155,560	\$ 12,381,071
Judicial	658,943	837,390	814,164	466,150	746,284	824,031	789,823	684,795	750,348	797,065
Public safety	10,202,244	11,442,340	11,920,070	11,527,647	10,823,733	11,761,412	11,249,398	12,130,090	12,532,675	14,957,786
Public works	2,101,565	2,813,452	2,736,609	3,132,100	2,686,734	2,682,503	2,409,663	3,646,251	6,953,668	8,270,801
Housing and development	1,277,614	1,255,019	929,920	1,236,085	2,050,572	1,996,326	1,372,370	1,485,874	1,979,936	1,874,376
Health and Welfare	144,708	144,708	144,708	144,708	-	-	-	-	-	-
Culture and recreation	2,130,160	3,619,609	5,492,366	4,207,443	4,263,526	4,517,173	4,845,801	5,119,399	4,612,966	6,194,551
Interest on long-term debt	1,861,057	1,791,352	2,400,937	1,708,638	1,652,409	1,603,148	1,250,809	967,705	960,813	965,032
Total governmental activities expenses	23,578,854	27,081,351	30,172,382	27,232,739	28,292,271	30,404,811	31,665,522	32,876,251	39,945,966	45,440,682
Business-type activities:										
Sanitation	3,689,442	3,420,209	3,339,378	3,244,222	3,375,445	3,317,568	3,695,797	4,013,420	4,758,192	4,695,904
Total business-type activities expenses	3,689,442	3,420,209	3,339,378	3,244,222	3,375,445	3,317,568	3,695,797	4,013,420	4,758,192	4,695,904
Total primary government expenses	\$ 27,268,296	\$ 30,501,560	\$ 33,511,760	\$ 30,476,961	\$ 31,667,716	\$ 33,722,379	\$ 35,361,319	\$ 36,889,671	\$ 44,704,158	\$ 50,136,586
Program Revenues										
Governmental Activities:										
Charges for service:										
General government	\$ 2,188,238	\$ 2,224,532	\$ 2,220,908	\$ 2,253,020	\$ 2,413,872	\$ 2,434,206	\$ 2,944,164	\$ 3,794,094	\$ 3,901,502	\$ 3,990,452
Housing and development	509,097	216,306	331,530	410,570	557,320	439,654	765,360	226,426	267,579	198,264
Judicial	1,816,603	1,644,337	1,439,864	1,116,850	2,216,583	1,274,224	1,570,466	1,877,717	1,873,705	1,159,756
Public safety	363,673	368,658	408,686	331,947	317,080	362,911	473,587	532,349	377,214	532,917
Public works	-	-	-	-	-	17,750	-	-	-	-
Culture and recreation	280,822	1,204,061	1,323,745	1,438,449	1,443,399	1,550,758	1,101,870	977,333	1,219,544	1,015,228
Operating grants and contributions	1,503,681	671,401	470,025	450,109	1,002,645	300,897	529,559	489,644	489,693	366,671
Capital grants and contributions	398,650	1,179,720	1,495,070	749,654	544,223	233,612	1,277,414	7,194,611	11,132,780	10,333,367
Total governmental activities program revenues	7,060,764	7,509,015	7,689,828	6,750,599	8,495,122	6,614,012	8,662,420	15,092,174	19,262,017	17,596,655
Business-type activities:										
Charges for services:										
Sanitation	3,658,354	3,610,033	3,628,855	3,689,973	3,911,692	3,999,390	4,023,039	4,560,797	4,603,302	4,683,009
Capital grants and contributions	-	-	-	-	-	-	-	-	3,351,119	4,271,118
Total business-type activities program revenues	3,658,354	3,610,033	3,628,855	3,689,973	3,911,692	3,999,390	4,023,039	4,560,797	7,954,421	8,954,127
Total primary government program revenues	\$ 10,719,118	\$ 11,119,048	\$ 11,318,683	\$ 10,440,572	\$ 12,406,814	\$ 10,613,402	\$ 12,685,459	\$ 19,652,971	\$ 27,216,438	\$ 26,550,782

Note: FY 2014 has been restated and the effect of implementing GASBs No. 68 and 75 to previously reported changes in net position has not been determined.

City of Douglasville, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental activities	\$ (16,518,090)	\$ (19,572,336)	\$ (22,482,554)	\$ (20,482,440)	\$ (19,797,149)	\$ (23,790,799)	\$ (23,003,102)	\$ (17,784,077)	\$ (20,683,949)	\$ (27,844,027)
Business-type activities	(31,088)	189,824	289,477	445,751	536,247	681,822	327,242	547,377	3,196,229	4,258,223
Total primary government net expense	<u>\$ (16,549,178)</u>	<u>\$ (19,382,512)</u>	<u>\$ (22,193,077)</u>	<u>\$ (20,036,689)</u>	<u>\$ (19,260,902)</u>	<u>\$ (23,108,977)</u>	<u>\$ (22,675,860)</u>	<u>\$ (17,236,700)</u>	<u>\$ (17,487,720)</u>	<u>\$ (23,585,804)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 5,563,615	\$ 5,934,651	\$ 5,780,387	\$ 6,041,140	\$ 7,943,693	\$ 9,922,506	\$ 10,300,396	\$ 11,026,570	\$ 12,612,306	\$ 13,125,830
Sales taxes	10,244,877	4,434,938	4,789,513	5,156,024	6,048,402	6,204,621	6,281,217	6,971,616	7,718,366	8,082,143
Other taxes and miscellaneous	5,721,070	6,250,535	6,274,184	6,313,992	6,948,787	7,897,884	7,348,719	7,645,137	7,920,208	7,847,344
Unrestricted investment earnings	131,666	55,101	32,437	27,055	27,105	30,854	44,327	153,883	368,044	320,383
Gain on sale of capital assets	-	-	-	-	-	71,023	-	25,107	27,630	-
Transfers	45,000	45,000	45,000	100,000	115,000	100,000	100,000	303,735	1,427,144	1,766,161
Total governmental activities	<u>\$ 21,706,228</u>	<u>\$ 16,720,225</u>	<u>\$ 16,921,521</u>	<u>\$ 17,638,211</u>	<u>\$ 21,082,987</u>	<u>\$ 24,226,888</u>	<u>\$ 24,074,659</u>	<u>\$ 26,126,048</u>	<u>\$ 30,073,698</u>	<u>\$ 31,141,861</u>
Business-type activities										
Investment earnings	\$ 1,925	\$ 348	\$ 1,256	\$ 1,802	\$ 238	\$ 2,257	\$ 6,743	\$ 26,202	\$ 108,642	\$ 90,877
Gain on sale of capital assets	-	-	-	-	72,239	15,345	-	6,301	-	-
Transfers	(45,000)	(45,000)	(45,000)	(100,000)	(115,000)	(100,000)	(100,000)	(303,735)	(1,427,144)	(1,766,161)
Total business-type activities	<u>(43,075)</u>	<u>(44,652)</u>	<u>(43,744)</u>	<u>(98,198)</u>	<u>(42,523)</u>	<u>(82,398)</u>	<u>(93,257)</u>	<u>(271,232)</u>	<u>(1,318,502)</u>	<u>(1,675,284)</u>
Total primary government	<u>\$ 21,663,153</u>	<u>\$ 16,675,573</u>	<u>\$ 16,877,777</u>	<u>\$ 17,540,013</u>	<u>\$ 21,040,464</u>	<u>\$ 24,144,490</u>	<u>\$ 23,981,402</u>	<u>\$ 25,854,816</u>	<u>\$ 28,755,196</u>	<u>\$ 29,466,577</u>
Change in Net Position										
Governmental activities	\$ 5,188,138	\$ (2,852,111)	\$ (5,561,033)	\$ (2,844,229)	\$ 1,285,838	\$ 436,089	\$ 1,071,557	\$ 8,341,971	\$ 9,389,749	\$ 3,297,834
Business-type activities	(74,163)	145,172	245,733	347,553	493,724	599,424	233,985	276,145	1,877,727	2,582,939
Total primary government	<u>\$ 5,113,975</u>	<u>\$ (2,706,939)</u>	<u>\$ (5,315,300)</u>	<u>\$ (2,496,676)</u>	<u>\$ 1,779,562</u>	<u>\$ 1,035,513</u>	<u>\$ 1,305,542</u>	<u>\$ 8,618,116</u>	<u>\$ 11,267,476</u>	<u>\$ 5,880,773</u>

Note: FY 2014 and FY2017 have been restated and the effect of implementing GASBs No. 68 and 75 to previously reported changes in net position has not been determined.

City of Douglasville, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nondisposable	\$ 349,310	\$ 140,232	\$ 265,788	\$ 220,958	\$ 522,637	\$ 176,909	\$ 697,430	\$ 640,857	\$ 575,973	\$ 609,281
Restricted	-	365,777	-	-	-	-	-	-	-	-
Assigned	221,811	402,225	103,494	104,849	104,849	-	518,159	1,687,713	2,598,191	2,016,880
Unassigned	8,799,775	6,354,443	5,480,501	5,236,868	6,097,136	8,658,815	10,096,493	12,185,372	14,487,097	15,357,559
Total general fund	\$ 9,370,896	\$ 7,262,677	\$ 5,849,783	\$ 5,562,675	\$ 6,724,622	\$ 8,835,724	\$ 11,312,082	\$ 14,513,942	\$ 17,661,261	\$ 17,983,720
All Other Governmental Funds										
Nondisposable	\$ 242	\$ 13,567	\$ 1,250	\$ 2,814	\$ 6,759	\$ 726	\$ 75,972	\$ 74,589	\$ 49,137	\$ 39,491
Restricted	4,516,665	9,843,790	3,895,162	3,211,328	3,216,280	3,418,052	3,956,270	6,904,212	9,061,573	8,908,342
Committed	-	93,071	82,792	-	-	-	-	-	-	-
Unassigned	(2,178,868)	(270,264)	(972,951)	(1,457,099)	(1,073,220)	(1,073,220)	(715,924)	(361,389)	-	-
Total all other governmental funds	\$ 2,338,039	\$ 9,680,164	\$ 3,006,253	\$ 1,757,043	\$ 2,149,819	\$ 2,345,558	\$ 3,316,318	\$ 6,617,412	\$ 9,110,710	\$ 8,947,833

Note: The increase in unreserved Capital Projects in fiscal year 2005 is due to bonds being issued for improving parks and recreation facilities.

Note: Restatement to 2009's ending fund balance was made to correct Local Option Sales Tax.
Restatement to 2013 ending Fund balance due to a correction of an error in the GEMA flood fund.
The City implemented GASB 54 in fiscal year 2011.

City of Douglasville, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 15,199,069	\$ 16,340,755	\$ 16,556,891	\$ 17,289,758	\$ 20,692,270	\$ 23,692,430	\$ 23,957,036	\$ 25,578,276	\$ 28,209,926	\$ 28,744,291
Licenses and permits	2,110,938	1,907,723	1,833,050	2,124,865	2,435,307	2,280,227	2,801,140	3,156,667	3,232,355	3,400,336
Intergovernmental	7,256,155	2,509,829	2,026,572	822,471	653,037	491,732	1,563,539	8,085,336	11,632,635	10,983,223
Fines and forfeitures	2,816,622	2,106,797	1,755,313	1,591,145	2,310,910	1,936,467	1,801,475	1,923,209	1,914,322	1,707,961
Charges for service	779,425	1,688,574	2,172,256	1,906,925	1,875,617	2,006,316	1,805,462	1,618,886	1,934,033	1,570,287
Interest Income	131,632	55,112	32,437	27,055	24,928	33,354	59,825	159,939	396,363	347,592
Other Revenues	747,076	780,298	692,180	734,377	677,521	724,008	788,990	485,665	661,581	576,392
Total revenues	29,040,917	25,389,088	25,068,699	24,496,596	28,669,590	31,164,534	32,777,467	41,007,978	47,981,215	47,330,082
Expenditures										
General government	3,615,917	4,115,058	4,949,931	4,055,572	5,579,408	6,786,783	7,099,575	8,504,662	12,692,624	9,953,363
Judicial	597,735	762,214	730,670	730,699	693,350	767,006	798,380	664,316	748,965	759,475
Public safety	9,591,186	9,841,597	9,853,814	9,530,484	9,641,067	10,470,274	10,522,209	10,720,402	11,832,548	12,826,208
Public works	2,132,130	2,041,926	1,871,927	1,733,633	1,694,505	1,911,541	1,766,111	2,973,074	6,584,228	7,401,349
Culture and recreation	1,617,489	3,571,491	3,551,336	3,647,892	3,812,069	4,261,087	3,866,921	3,960,766	5,427,391	4,794,840
Housing and development	1,165,850	1,429,359	1,744,156	1,465,802	1,889,726	1,203,446	1,755,616	2,180,607	1,838,037	1,644,433
Capital outlay	19,690,713	9,371,480	6,974,022	1,227,558	172,828	114,672	-	2,467,516	1,057,952	9,177,724
Debt service										
Interest	1,457,363	1,518,752	2,243,242	1,900,149	1,735,405	1,670,103	2,166,042	2,276,805	1,223,779	2,781,109
Principal	1,348,319	1,397,918	1,493,900	1,803,076	2,011,508	2,090,263	1,458,783	1,179,759	2,397,218	1,167,970
Bond Issuance Cost	-	302,967	84,494	-	-	-	207,594	173,589	-	-
Total expenditures	41,216,702	34,352,762	33,497,492	26,094,865	27,229,866	29,275,175	29,641,231	35,101,496	43,802,742	50,506,471
Excess of revenues over (under) expenditures	(12,175,785)	(8,963,674)	(8,428,793)	(1,598,269)	1,439,724	1,889,359	3,136,236	5,906,482	4,178,473	(3,176,389)
Other Financing Sources (Uses)										
Transfers in	2,753,380	17,407,513	1,866,957	3,136,389	2,953,188	3,140,934	1,327,110	1,547,418	3,237,807	5,108,425
Transfers out	(2,708,380)	(17,362,513)	(1,821,957)	(3,036,389)	(2,838,188)	(3,040,934)	(1,227,110)	(1,243,683)	(1,810,663)	(2,939,304)
Bonds issued	-	13,410,000	4,110,000	-	-	-	13,600,000	9,480,000	-	-
Premium on bonds issued	-	742,580	-	-	-	-	1,679,464	979,522	-	-
Payment to refunded bond escrow agent	-	-	(4,000,154)	-	-	-	(15,072,082)	(10,286,145)	-	-
Long term debt issued	-	-	187,142	-	-	-	-	-	-	1,166,350
Sale of capital assets	47,357	-	-	-	-	317,482	3,500	119,360	35,000	500
Total other financing sources (uses)	92,357	14,197,580	341,988	100,000	115,000	417,482	310,882	596,472	1,462,144	3,335,971
Net change in fund balances	\$ (12,083,428)	\$ 5,233,906	\$ (8,086,805)	\$ (1,498,269)	\$ 1,554,724	\$ 2,306,841	\$ 3,447,118	\$ 6,502,954	\$ 5,640,617	\$ 159,582
Debt service as a percentage of noncapital expenditures	14%	12%	14%	15%	14%	13%	13%	11%	9%	9%

City of Douglasville, Georgia
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Excise Tax	Franchise Tax	Insurance Premium Tax	Hotel Motel & Car Rental	Other	Total
2011	\$ 5,531,632	\$ 10,379,214	\$ 1,052,872	\$ 2,029,849	\$ 1,080,135	\$ 1,273,564	\$ 38,708	\$ 21,384,974
2012	5,907,201	4,434,938	972,000	2,072,783	1,452,201	1,442,351	59,281	16,340,755
2013	5,723,361	4,789,513	980,438	1,983,582	1,542,480	1,492,717	44,800	16,556,891
2014	6,022,126	5,156,024	1,010,390	1,878,032	1,597,091	1,577,730	48,365	17,289,758
2015	7,915,893	6,048,402	1,003,239	2,211,816	1,669,605	1,791,318	51,997	20,692,270
2016	9,855,187	6,159,621	1,009,969	2,836,620	1,783,698	1,970,096	77,238	23,692,430
2017	10,285,412	6,281,217	1,006,718	2,422,009	1,932,092	1,930,978	98,610	23,957,036
2018	10,955,642	6,756,996	1,078,828	2,424,509	2,057,499	2,192,676	112,126	25,578,276
2019	12,514,156	7,506,899	1,114,355	2,596,920	2,218,053	2,123,558	135,985	28,209,926
2020	12,966,633	7,889,488	1,127,396	2,622,637	2,357,132	1,670,398	110,607	28,744,291

City of Douglasville, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes Heavy Equipment	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2011	2010	\$ 930,470,872	\$ 143,015,248	\$ 12,039,977	\$ 53,102,373	\$ (26,007,021)	\$ 1,112,621,449	5.069	\$ 2,781,553,623	40.00
2012	2011	901,158,038	166,199,636	11,994,773	47,778,023	(33,073,096)	1,094,057,374	5.404	2,734,763,435	40.00
2013	2012	863,062,342	148,464,889	11,717,620	50,152,681	(25,636,479)	1,047,761,053	5.497	2,619,402,633	40.00
2014	2013	842,583,657	152,016,398	11,717,620	54,417,138	(31,176,370)	1,029,558,443	5.496	2,573,896,108	40.00
2015	2014	845,498,290	147,369,572	13,020,716	46,858,796	(32,694,757)	1,020,052,617	7.454	2,550,131,543	40.00
2016	2015	887,125,894	174,819,620	15,610,515	33,682,970	(40,551,254)	1,070,687,745	8.954	2,676,719,363	40.00
2017	2016	947,207,458	188,873,041	14,673,241	23,900,314	(46,625,780)	1,128,028,274	8.437	2,820,070,685	40.00
2018	2017	998,735,137	214,933,082	15,656,810	18,059,341	(42,973,923)	1,204,410,447	8.261	3,011,026,118	40.00
2019	2018	1,150,783,616	243,299,200	16,396,689	13,639,527	(57,923,333)	1,366,195,699	8.451	3,415,489,248	40.00
2020	2019	1,238,226,353	291,846,648	20,074,485	10,772,368	(88,773,912)	1,472,145,942	8.331	3,680,364,855	40.00

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

* Bond Millage added

City of Douglasville, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Tax Year	Direct Rates			Overlapping Rates				Total Direct & Overlapping Rates
	City of Douglasville	Bond City of Douglasville	Total Direct	Douglas County	Douglas County Board of Education	Douglas County Board of Education	State of Georgia	
2011	3.854	1.550	5.404	9.900	22.950		0.250	38.504
2012	3.854	1.643	5.497	9.900	21.950		0.200	37.547
2013	3.853	1.643	5.496	12.250	21.650		0.150	39.546
2014	5.784	1.670	7.454	12.153	21.350		0.100	41.057
2015	7.338	1.616	8.954	11.809	21.100		0.050	41.913
2016	6.911	1.526	8.437	11.267	21.000		0.050	40.754
2017	6.911	1.350	8.261	10.768	20.950		0.000	39.979
2018	7.211	1.240	8.451	10.213	20.900		0.000	39.564
2019	7.211	1.120	8.331	10.213	19.700		0.000	38.244
2020	7.211	1.068	8.279	12.563	20.600	1.000	0.000	42.442

Source: Georgia Department of Revenue

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

City of Douglasville, Georgia
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City of Douglasville/ Douglas County/BOE</u>	<u>SPLOST Sales Tax</u>	<u>State of Georgia Sales Tax</u>	<u>Total Direct & Overlapping Rates</u>
2011	2.00	1.00	4.00	7.00
2012	2.00	1.00	4.00	7.00
2013	2.00	1.00	4.00	7.00
2014	2.00	1.00	4.00	7.00
2015	2.00	1.00	4.00	7.00
2016	2.00	1.00	4.00	7.00
2017	2.00	1.00	4.00	7.00
2018	2.00	1.00	4.00	7.00
2019	2.00	1.00	4.00	7.00
2020	2.00	1.00	4.00	7.00

Source: Georgia Department of Revenue

City of Douglasville, Georgia
Sales and Use Tax Revenues by Category
Last Ten Years
(In Thousands of Dollars)

Category	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019****
Accommodations	\$ 181,437	\$ 201,754	\$ 208,044	\$ 221,696	\$ 239,002	\$ 269,134	\$ 295,999	\$ 307,790	\$ 330,594	\$ 362,879
Apparel	-	-	-	-	-	-	-	-	-	-
Automotive	831,936	924,001	1,020,368	877,563	283,772	300,091	330,633	333,186	351,633	390,483
Construction	43,217	49,459	60,352	62,041	69,314	79,158	95,080	113,346	109,774	117,558
Food	1,387,058	1,472,134	1,562,526	1,643,849	1,746,942	1,890,152	2,053,976	2,029,832	2,284,531	2,458,712
General Merchandise	1,339,806	1,359,914	1,396,157	1,433,731	1,485,867	1,558,718	1,653,392	1,684,404	1,751,836	1,841,736
Home	692,166	685,867	699,906	710,159	767,792	819,792	902,839	841,787	912,600	1,083,077
Lumber	-	-	-	-	-	-	-	-	-	-
Manufacturers	553,695	514,814	538,874	534,055	555,161	605,656	642,317	607,145	651,822	715,381
Misc	900,789	923,651	932,264	990,159	1,052,854	1,116,512	1,179,552	1,272,287	1,375,966	1,397,338
Other Retail	1,090,584	1,118,443	1,169,833	1,158,049	1,239,132	1,308,779	1,369,165	1,456,497	1,568,420	1,657,806
Service	531,718	518,969	560,363	511,939	461,314	245,015	290,875	356,524	199,204	204,080
Utilities	1,012,472	1,039,326	1,006,630	974,826	980,271	991,603	932,006	950,987	974,212	1,052,377
Wholesale	633,194	810,195	924,923	933,064	970,112	998,342	914,266	946,794	1,037,537	1,178,798
Total	\$ 9,198,072	\$ 9,618,527	\$ 10,080,240	\$ 10,051,131	\$ 9,851,533	\$ 10,182,952	\$ 10,660,100	\$ 10,900,579	\$ 11,548,129	\$ 12,460,225
Sales Tax Rate ***	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Source: Georgia Department of Revenue Statistical Report

Note: (i) On May 1, 2009, DOR implemented a new Sales Tax system that utilizes the North American Industry Classification System (NAICS), replacing the old system of commodity codes used in previous fiscal years.

Source: State Accounting Office of Georgia, Local Government Services Division and Finance Department, Georgia Department of Revenue

* Georgia Department of Revenue reported previously on Net Collections ; from 2010 and subsequent years, GDOR reports on Gross Collections.

** Information above specific to the State of Georgia and not to Douglas County or Douglasville.

*** Sales Tax Rate for Local Option sales tax (1 %) and ELOST (1 %)

**** The Georgia Department of Revenue's FY 2019 Statistical Section will not come out until January 2020. Therefore, we will report for FY 19's numbers in FY 20.

City of Douglasville, Georgia Principal Property Taxpayers Current Year and Ten Years Ago

Taxpayer	2020			2011		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
McMaster-Carr Supply Company	\$ 62,640,914	1	4.05%			
Crestmark Community, LLC	11,356,097	2	0.73%			
Breit Ta Mf Sweetwater Creek, LLC	11,711,999	3	0.75%			
Arbor Place Holdings, LLC	11,726,960	4	0.75%			
Douglasville Pavilion, LLC	11,903,880	5	0.76%			
One Rocky Ridge, Lp	11,937,078	6	0.77%			
IP Brodick Owner, LLC	14,050,036	7	0.91%			
Arbor Place II, LLC	15,360,160	8	0.99%	\$ 11,161,960	2	1.02%
Staples Contract And Commercial, Inc.	23,301,658	9	1.51%	13,363,265	1	1.22%
Gordon Food Services, Inc.	24,964,656	10	1.61%			
Blue Valley Apartments				9,147,956	3	0.84%
DDRTC Douglasville Pavilion, LLC				8,800,000	4	0.80%
Centerpoint Properties Trust				8,280,880	5	0.76%
WPRE I Rocky Ridge, LLC				8,000,000	6	0.73%
Carlyle Centennial Lenox LP				7,671,000	7	0.70%
Mt. Vernon Associates LP				7,324,688	8	0.67%
SCI Brodick Hill Fund LLC ETAL				7,199,992	9	0.66%
Carlyle Centennial Sweetwater Creek LP				6,968,680	10	0.64%
Total	<u>\$ 198,953,438</u>		<u>12.83%</u>	<u>\$ 87,918,421</u>		<u>8.04%</u>

Source: Douglas County Tax\Commissioner's Office
Total Gross City Tax Digest

City of Douglasville, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended 30-Jun	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2011	2010	\$ 5,638,882	\$ 5,336,879	94.64%	\$ 233,105	\$ 5,569,984	98.78%
2012	2011	5,688,810	5,641,595	99.17%	34,594	5,676,189	99.78%
2013	2012	5,483,852	5,299,807	96.64%	84,348	5,384,155	98.18%
2014	2013	5,358,823	5,189,421	96.84%	132,739	5,322,160	99.32%
2015	2014	7,316,371	7,158,035	97.84%	158,336	7,316,371	100.00%
2016	2015	9,359,932	9,117,159	97.41%	135,872	9,253,031	98.86%
2017	2016	9,395,185	9,298,745	98.97%	96,440	9,395,185	100.00%
2018	2017	9,866,902	9,856,186	99.89%	102,946	9,856,186	99.89%
2019	2018	9,851,637	9,589,583	97.34%	123,758	9,713,341	98.60%
2020	2019	10,615,239	10,296,186	96.99%	-	10,296,186	96.99%

Sources: City of Douglasville Finance Department

Note: The taxes levied in this table consist of M&O only. No debt service tax levies are included.

City of Douglasville, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income ²	Per Capita	Population
	Note Payable	Capital Leases	Revenue Bonds	GO Bonds				
2011	\$ -	\$ 1,959,621	\$ 4,070,000	\$ 27,466,431	\$ 33,496,052	0.000139%	1,089	30,203
2012	-	1,775,558	17,405,000	26,327,576	45,508,134	0.000235%	1,459	30,748
2013	-	1,730,831	18,183,996	25,615,573	45,530,400	0.000193%	1,460	31,181
2014	-	1,497,116	17,698,735	24,366,887	43,562,738	0.000188%	1,380	31,573
2015	-	1,253,449	21,243,243	17,980,000	40,476,692	0.000173%	1,268	31,917
2016	-	999,626	20,376,802	17,010,000	38,386,428	0.000154%	1,188	32,317
2017	-	735,203	19,943,116	17,359,448	38,037,767	0.000141%	1,161	32,768
2018	-	499,836	19,747,553	16,099,826	36,347,215	0.000125%	1,094	33,210
2019	-	254,822	18,562,549	14,798,482	33,615,852	0.000108%	1,017	33,052
2020	496,652	421,816	17,356,467	13,422,837	31,697,772	0.000102%	959	33,052

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

Source: Debt Schedule Finance Department

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

Source: Douglasville Development Authority

City of Douglasville, Georgia
Ratios of General Bonded Debt Outstanding (Unaudited)
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for GO Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita	Population
2011	\$ 27,466,431	\$ -	\$ 27,466,431	2.47%	909	30,203
2012	26,327,576	-	26,327,576	2.41%	856	30,748
2013	25,615,573	-	25,615,573	2.44%	822	31,181
2014	24,366,887	-	24,366,887	2.37%	772	31,573
2015	17,980,000	-	17,980,000	1.76%	563	31,917
2016	17,010,000	-	17,010,000	1.59%	526	32,317
2017	17,359,448	276,144	17,083,304	1.51%	521	32,768
2018	16,099,826	91,692	16,008,134	1.33%	482	33,210
2019	14,798,482	-	14,798,482	1.08%	448	33,052
2020	13,422,837	-	13,422,837	0.91%	406	33,052

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

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

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

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

City of Douglasville, Georgia
Direct and Overlapping Governmental Activities Debt
For the Fiscal Year Ended June 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct General Obligation Debt			
Lease/Purchase	\$ 421,816	100.00%	\$ 421,816
Bonds	30,779,304	100.00%	30,779,304
Note Payable :	496,652	100.00%	496,652
	<u>\$ 31,697,772</u>		<u>\$ 31,201,120</u>
Overlapping General Obligation Debt			
Douglas County	\$ 39,921,623		
Capital Lease	2,163,498		
Total :	<u>\$ 42,085,121</u>	27.75%	<u>\$ 11,679,550</u>
Douglas County School District			
Finance Purchase Payable :	\$ 4,585,368.00		
Bonds	\$ 116,912,879		
	<u>\$ 121,498,247</u>	27.75%	<u>\$ 33,718,446</u>
	<u>\$ 163,583,368</u>		<u>\$ 45,397,996</u>
Total Direct and Overlapping Debt	<u>\$ 195,281,140</u>		<u>\$ 76,599,116</u>

The percentage of overlapping debt applicable is estimated using taxable assessed property values. The overlapping debt outstanding from other entities above has been taken from the most recent available audited financial statements for the Douglas County School District and Douglas County, Georgia, as applicable.

**City of Douglasville, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 130,625,732	\$ 112,713,047	\$ 107,339,753	\$ 106,073,481	\$ 105,274,737	\$ 111,123,900	\$ 117,465,405	\$ 124,792,437	\$ 142,411,903	\$ 155,838,277
Total net debt applicable to limit	27,466,431	26,327,576	25,615,573	24,366,887	17,980,000	17,010,000	17,359,448	16,099,826	14,798,482	13,422,837
Legal debt margin	\$ 103,159,301	\$ 86,385,471	\$ 81,724,180	\$ 81,706,594	\$ 87,294,737	\$ 94,113,900	\$ 100,105,957	\$ 108,692,611	\$ 127,613,421	\$ 142,415,440
Total net debt applicable to the limit as a percentage of debt limit	24.14%	23.36%	23.86%	22.97%	17.08%	15.31%	14.78%	12.90%	10.39%	8.61%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 1,472,145,942
Add back exempt real property	86,236,828
Total assessed value	<u>1,558,382,770</u>
Debt limit (10% of total assessed value)	<u>155,838,277</u>
Debt applicable to limit:	
General obligation bonds	13,422,837
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>13,422,837</u>
Legal debt margin	<u>\$ 142,415,440</u>

Info gathered from:
2020 Tax Millage Rate and 5 Year History

City of Douglasville, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population¹	Personal Income	Per Capita Personal Income¹	Median Age¹	County School Enrollment	School Enrollment¹	Unemployment Rate¹
2011	30,203	\$ 786,274,699	\$ 26,033	33.1	24,250	8,336	9.40%
2012	30,748	621,946,801	25,011	34.1	24,500	8,916	10.90%
2013	31,181	756,014,526	24,246	33.8	24,500	9,283	12.20%
2014	31,573	733,882,812	23,244	34.0	25,500	9,813	11.20%
2015	31,917	734,378,253	23,009	34.0	25,668	9,569	11.60%
2016	32,317	772,893,372	23,916	33.6	25,668	10,069	11.40%
2017	32,768	820,805,632	25,049	33.9	28,820	9,715	11.10%
2018	33,210	872,360,280	26,268	34.7	25,483	9,698	9.20%
2019	33,052	941,320,960	28,480	34.9	26,000	8,865	8.80%
2020 ⁽²⁾	33,052	941,320,960	28,480	34.9	25,770	8,865	8.80%

Data sources

¹United States Census Bureau

²Data is updated in July following the end of the calendar year. Prior year data in current year will be updated next year.

Note: School enrollment from Douglas County, Email Portia Lake (DCSD PIO)
Unemployment Rate for Metro Atlanta area DOL

**City of Douglasville, Georgia
Principal Employers
Current Year and Ten Years Ago**

2020				2011			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Wellstar Douglas Hospital	800	1	4.04%	Wal-Mart Super Center	750	1	3.85%
American Red Cross	732	2	3.70%	Kroger	487	2	2.50%
McMaster Carr Supply	500	3	2.53%	American Red Cross	450	3	2.31%
Medline	495	4	2.50%	Benton Georgia	300	4	1.54%
Kehe Distributors	382	5	1.93%	Sams Club	180	5	0.92%
Gordon Food Services	300	6	1.52%	Home Depot	155	6	0.80%
ALP Lighting	120	7	0.61%	ALP Lighting Systems	120	7	0.62%
Anderson Distribution	48	8	0.24%	Medline	111	8	0.57%
Metro Garage	25	9	0.13%	G & L Marble	96	9	0.49%
Mechadyne	23	10	0.12%	Reflek Manufacturing	75	10	0.39%
Total	<u>3,425</u>		<u>17.32%</u>	Total	<u>2,724</u>		<u>13.99%</u>

Source: Finance Occupational Tax Returns

Note: This data is obtained from various sources including but not limited to press releases, private discussion, company disclosures and other sources.

City of Douglasville, Georgia
Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government:										
Governing Body	9	9	9	9	8	8	8	8	8	8
Chief Executive (Mgr. Or Admin.)	5	5	5	5	5	4	7	9	8	9
IT/MIS	2	2	3	3	3	3	3	3	3	3
Police Records & Court	12	12	12	11	9	9	13	12	13	24
Financial Administration	8	8	8	7	7	7	7	7	10	8
General Govt. Bldgs. & Plant	1	1	1	1	1	1	3	5	5	7
Human Resources	2	2	2	2	3	4	5	5	5	4
Public Safety:										
Police Administration	10	9	9	8	8	9	10	18	7	9
Police - IT	2	2	2	2	2	2	2	2	2	3
Police Detective	17	14	17	17	19	15	17	18	18	17
Police Special OPS	7	8	8	8	8	6	4	3	5	5
Police Patrol	54	53	53	48	62	55	57	53	64	56
Police Motors	4	5	6	5	5	3	2	3	5	5
Police Training	2	2	3	6	10	5	3	3	3	3
Police SRO	2	4	4	4	4	4	6	7	6	-
Police Building Maintenance		1	1	1	1	1	1	1	1	1
Building Inspections	5	4	3	3	4	4	4	5	5	2
Code Enforcement	3	3	4	4	4	4	5	4	4	4
Planning & Zoning	2	2	2	3	3	3	3	2	3	4
Engineering	3	3	3	-	-	-	-	-	-	1
Community Development	4	2	4	1	4	3	3	2	3	3
Tourism	2	3	3	3	4	3	2	2	2	2
Culture/Recreation Administration	4	6	7	8	8	8	6	6	17	17
Conference Center	3	4	5	4	6	6	6	3	9	3
West Pines Golf	-		8	8	11	8	9	8	13	25
Parks Areas	8	6	8	7	9	7	11	9	9	7
Highways & Streets Admin.	15	17	17	17	16	15	13	16	16	15
Traffic Engineering										
Sanitary Administration	20	22	22	22	26	21	23	20	30	22
Maintenance & Shop	2	2	2	2	2	2	2	2	2	2
Video Production	4	4	3	4	4	4	4	4	4	6
Development Authority	1	1	1	-	-	-	-	-	-	-
Keep Douglasville Beautiful	4	3	4	4	4	4	4	4	4	2
Total	217	219	239	227	260	228	243	244	284	277

Source: City of Douglasville Human Resources Dept

City of Douglasville, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Works:										
Street resurfacing (feet)	3,256	13,886	11,051	23,707	69,696	9,979	7,723	53,559	50,283	106,647
Police protection*:										
Number of citations written	10,738	9,915	8,613	7,031	8,779	10,088	7,760	10,256	9,869	5,973
Number of automobile accidents	2307	2,397	2,483	2,530	2,684	3,029	2,991	3,033	2,948	2,485
Number of reported crimes	4768	4,160	4,160	4,836	4,941	5,515	5,403	5,969	5,337	4,734
Sanitation**:										
Large items pickup	97	63	88	100	141	183	148	74	117	140

Sources: *City of Douglasville Courts and Records

**** City Sanitation Department**

City of Douglasville, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public works:										
Miles of streets	166	166	166	166	150.67	150.67	150.67	150.67	150.67	150.67
Number of street lights	2048	2048	2048	2048	2293	2293	2574	2511	2518	2518
Police protection:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of police officers positions	91	94	94	94	97	97	102	117	101	112
Building permits issued	141	177	248	566	157	192	323	267	1563	1590
Recreation and culture:										
Number of parks	8	8	8	8	8	8	8	8	8	8
Park acreage	420	420	420	420	420	420	420	420	420	420

Sources: Various city departments.

COMPLIANCE SECTION



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

**Honorable Mayor and Members
Of City Council
City of Douglasville, Georgia**

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 30, 2020

