



# DOUGLASVILLE

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR  
ENDED JUNE 30, 2022**

**CITY OF DOUGLASVILLE, GEORGIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2022**

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

## **INTRODUCTORY SECTION**

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CITY OF DOUGLASVILLE, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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December 30, 2022

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

The Annual Comprehensive Financial Report (ACFR) of the City of Douglasville, Georgia (the “City”), for the fiscal year ended June 30, 2022, 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 be 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 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.

Mauldin and Jenkins LLC, has issued an unmodified (“clean”) opinion of the City of Douglasville’s financial statements for the fiscal year ended June 30, 2022. The independent auditor’s report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and is best read in conjunction with it.

The annual budget serves as the foundation for the City’s financial plan and assists in the control of the financial reporting entity for the City of Douglasville.

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.

The City has three component units: the Douglasville Convention and Conference Center Authority, the Douglasville Public Purpose Corporation, and the Development Authority of the City of Douglasville. 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 Development Authority of the City of Douglasville is a discretely presented component unit. For additional information, see "NOTE 1.A" of the Notes to the Financial Statements.

### Profile of the Government

The City of Douglasville was created in 1937 and operates under an elected Mayor/Council form of government. Policy making and legislative authority of the government is vested in the mayor and seven council members who are elected for four-year terms on a non-partisan basis. The Mayor and Council members are elected at large by popular vote. Elections are held every four years and are conducted by the Douglas County board of elections. The City is empowered to levy a property tax on both real and personal property located within its boundaries and can levy all other taxes granted to municipalities within the State of Georgia.

The city is strategically located west of 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 of sanitation services.

### Local Economy

Based on the projection from the 2020 Census, Douglasville has a population of 35,460. As of the 2020 census, approximately 24.2% of the City's population was under the age of 18 years. 11.5% of the population is 65 years and older. Median household income in 2021 was \$61,279, the median value of owner occupied housing units was \$214,300.

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.



## Long Term Financial Planning

The City updated financial policies in February 2022. As of the end of June 2022, the unassigned fund balance in the General Fund falls within the guidelines set by the Council. The City's policy is to maintain an Unassigned Fund Balance that will be no less than a minimum 33% of operating revenues measured at the end of the City's Fiscal Year with a goal of 50%. As of June 2022, 3 months of reserve needed is \$10,307,883. The total unassigned fund balance is \$25,997,113. The City maintains sufficient cash reserves to operate the fiscal year without issuing a tax anticipation note.

The City adopted a long-term financial policy in February of 2022. The policy will project 3-5 years based on institutional knowledge and expert opinions. The long-term forecast will be discussed annually with the elected officials during the annual strategic planning session.

### Major Initiatives:

During FY 2022, The Federal Highway Administration has approved the Highway 92 overpass project and Georgia Department of Transportation has assumed responsibility for implementation. This is an extremely important north-south artery through Douglasville. Phase 1 is 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 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 2023.

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.

During FY 2022, voters approved a GO Bond for the construction and renovation of Jesse Davis Park. This is a 25-million-dollar project that is located directly off State route 92 and will become a visible part of the beautiful new gateway corridor to Douglasville.

In November of 2022, a SPLOST referendum was passed which is projected to yield the City of Douglasville an estimated \$41,000,000 in revenue; The collected revenue is divided as follows: 35% Public Safety, 35% Transportation, 20% Facilities and 10% Parks and Recreation. The SPLOST is a 6-year SPLOST and will end in March 2029.

The City of Douglasville has been working over the past few years to develop a downtown area that will become the cultural, civic and entertainment center of Douglas County . As part of that effort The City acquired property which was the former Douglas County Jail which is within walking distance of the downtown conference center. The city razed the old jail and cleared the property. The intended use for this property is to build a City Town Green and amphitheater.

During 2021, bonds were issued to provide funding for the construction. Proceeds from the 2016 SPLOST provided funding for the design, engineering and concepts. This is a multi-phase project that includes the construction of an outdoor Amphitheater and green space, in addition to civic buildings, retail and residential spaces. This coincides with the Downtown Master Plan developed by TSW and Associates.

## 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 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 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

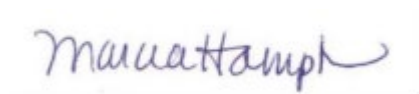
*Independent Audits.* State statutes require an annual audit by independent certified public accountants. The firm of Mauldin & Jenkins were selected by the city to perform audit services. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government 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 is 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 Annual Comprehensive Financial Report for year ended June 30, 2021. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such annual comprehensive 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 annual comprehensive 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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**CITY OF DOUGLASVILLE, GEORGIA**

LISTING OF PRINCIPAL OFFICIALS

June 30, 2022

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

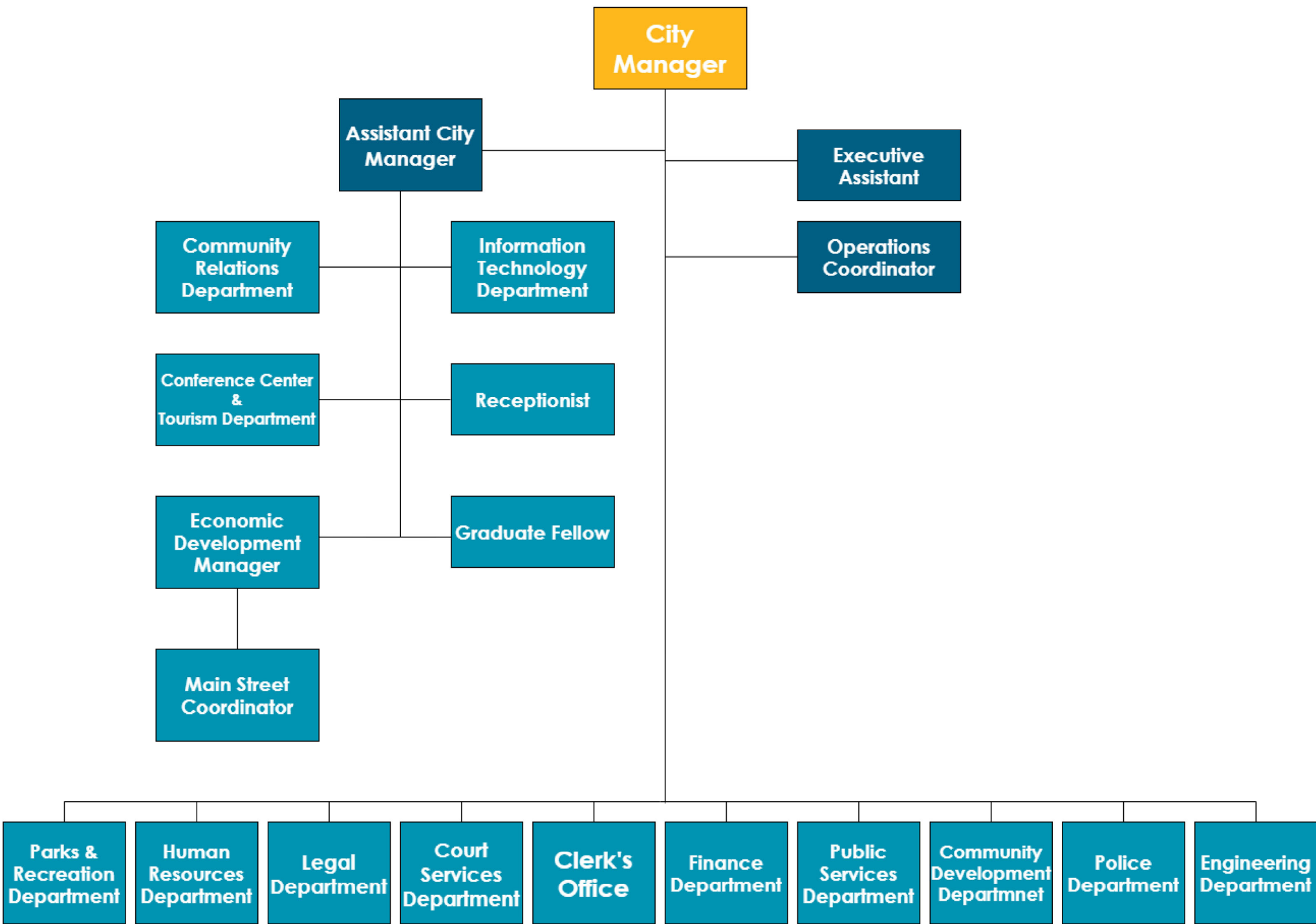
Samuel Davis

Ward 4

Chris Watts

Ward 5

Howard Estes



## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As described in Note 10 to the financial statements, as of July 1, 2021, the City adopted new accounting guidance, Government Auditing Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

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

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



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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying 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 schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, (collectively "the supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
December 30, 2022

## **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, 2022. We encourage readers to read the information presented here in 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 close of the most recent fiscal year by \$96,171,001 (*net position*). This amount includes \$87,331,139 net investment in capital assets, restricted portion of \$8,795,227 and unrestricted net position of \$44,635. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Douglasville's total net position increased by \$6,111,703 as a result of fiscal year 2022 operations.
- As of the close of the current fiscal year, the City of Douglasville's governmental funds reported combined ending fund balances of \$75,501,486, an increase of \$41,959,538 in comparison with the prior year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25,983,366 or 73% of total general fund expenditures for the fiscal year.
- The City of Douglasville's total outstanding long-term debt increased by \$32,230,334 during the current fiscal year because current year resources were used to extinguish existing debt. This debt service was offset by issuance of general obligation bonds during the current fiscal year. The City issued General Obligation Bonds, Series 2022 used to pay for all or a portion of the costs of the acquisition, construction and furnishing of additional amenities and recreational facilities at the Jessie G. Davis Memorial Park, and other projects of the City.

### **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) the notes to the financial statements. This report also includes supplementary information intended to enhance the reader's understanding of the financial condition of the City of Douglasville.

## **Basic Financial Statements**

The first two statements (pages 18 and 19) 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 20-25) 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 two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary 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 are designed to provide the reader with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents financial information on all of the City of Douglasville's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of the City's financial condition.

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

The government-wide financial statements include not only the City of Douglasville itself (known as the primary government), but also a legally separate Development Authority for which the City of Douglasville is financial accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements are on pages 18 and 19 of this report.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Douglasville, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City 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. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a governments near-term financing requirements.

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

The City of Douglasville maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, 2016 SPLOST Fund, Jessie Davis Park Capital Project Fund, and Town Green Amphitheatre Construction Fund, which are considered to be major funds. Data from the other eight governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Douglasville adopts an annual appropriated budget for its General Fund, as required by the Georgia 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. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental financial statements are on pages 20-22 of this report.

**Proprietary Funds** – 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 an enterprise fund to account for its sanitation operation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitation operation, which is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 23-25 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 26-61 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City of Douglasville’s general fund budget compliance and progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 62-70 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pension and OPEB. Combining and individual fund statements and schedules can be found on pages 71-82 of this report.

## Government-Wide Overall Financial Analysis

### City of Douglasville's Net Position Figure 1

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. The assets and deferred outflows of resources of the City of Douglasville exceeded liabilities and deferred inflows of resources by \$96,171,001 as of June 30, 2022. The City's net position increased by \$6,111,703 for the fiscal year ended June 30, 2022.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 86,550,617	\$ 35,284,172	\$ 4,529,715	\$ 3,080,067	\$ 91,080,332	\$ 38,364,239
Capital assets	111,821,302	107,540,877	7,871,848	8,372,717	119,693,150	115,913,594
Total assets	198,371,919	142,825,049	12,401,563	11,452,784	210,773,482	154,277,833
Deferred outflows of resources	9,830,310	12,528,865	190,757	301,284	10,021,067	12,830,149
Long-term liabilities outstanding	97,295,084	68,685,850	85,603	718,919	97,380,687	69,404,769
Other liabilities	15,451,949	2,136,436	461,353	271,427	15,913,302	2,407,863
Total liabilities	112,747,033	70,822,286	546,956	990,346	113,293,989	71,812,632
Deferred inflows of resources	10,978,898	5,188,147	350,661	47,905	11,329,559	5,236,052
Net Investment in capital assets	79,459,291	80,224,921	7,871,848	8,269,367	87,331,139	88,494,288
Restricted	8,795,227	8,691,558	-	-	8,795,227	8,691,558
Unrestricted	(3,778,220)	(9,572,998)	3,822,855	2,446,450	44,635	(7,126,548)
Total net position	\$ 84,476,298	\$ 79,343,481	\$ 11,694,703	\$ 10,715,817	\$ 96,171,001	\$ 90,059,298

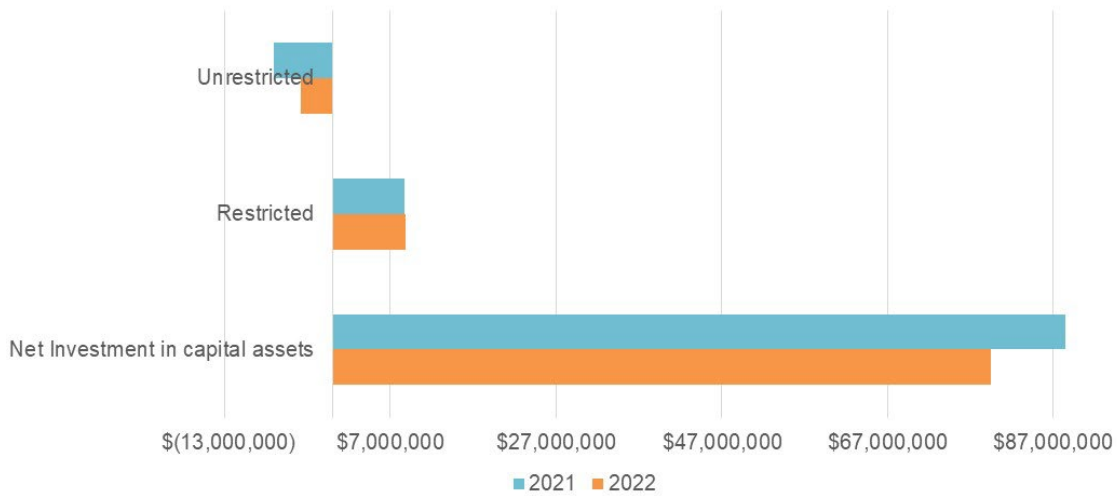
By far, the largest portion of the City of Douglasville's net position (90.8%) reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Douglasville uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the City of Douglasville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Douglasville's net position (47.8%) represent resources that are subject to external restrictions on how they may be used. There was a slight decrease of \$103,669 in restricted net position in connection with the City of Douglasville's Governmental Activities. This increase is due primarily to a restriction of funds for capital projects related to issuance of the Series 2022 General Obligation Bonds. Restricted net position also includes the restriction of funds for economic development, federal programs, and promotion of tourism.

For governmental activities, the City reported a negative balance of \$3,778,220 in unrestricted net position (-4.5%). This is a decrease of \$5,794,778 from prior year and primarily the result of restricting previously unrestricted net position for capital projects. The increase in restriction of funds for capital projects is related to issuance of the Series 2022 General Obligation Bonds.



City of Douglasville's Net Position  
June 30, 2021 and 2022  
Figure 2



The general fund reported a positive balance of \$25,983,366 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 difference 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 \$978,886 in connection with the City's business type activities. This increase is primarily due to increase in charges for services offset in part by increases in operating expenses as the result of fiscal year 2022 operations. There has not been any rate increases or any unusual funding source.

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased \$5,132,817 from the prior fiscal year for an ending balance of \$84,479,298. This increase is only 65% of prior year increase in net position. The change in net position contracted during the fiscal year due to the following key elements:

- Capital and operating grants and contributions increased \$2,320,718 (55%) from prior year.
- Sales taxes and other taxes increased \$2,050,999 (12%) from prior year.
- Property taxes increased \$730,668 (5%) from prior year.
- Total program and general revenues for governmental activities increased \$7,408,632 (17%) from prior year.
- Housing and development expenses increased \$2,522,625 (461%) from prior year.
- Interest and fiscal charges on long-term debt increased \$1,317,678 (155%) from prior year.
- Total expenses for governmental activities increased \$10,790,166 (30%) from the prior year.

### City of Douglasville Changes in Net Position Figure 3

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 9,979,193	\$ 7,404,754	\$ 6,312,906	\$ 5,347,378	\$ 16,292,099	\$ 12,752,132
Operating grants and contributions	975,095	2,359,595	-	-	975,095	2,359,595
Capital grants and contributions	5,575,596	1,870,378	-	-	5,575,596	1,870,378
<b>General revenues:</b>						
Property taxes	15,190,285	14,485,665	-	-	15,190,285	14,485,665
Sales taxes	10,066,787	8,804,764	-	-	10,066,787	8,804,764
Other taxes and miscellaneous	9,188,831	8,388,279	-	-	9,188,831	8,388,279
Unrestricted Investment earnings	206,767	227,672	7,974	1,897	214,741	229,569
Gain on (Loss from) Sale of Capital Assets	-	221,003	80,000	26,251	80,000	247,254
<b>Total Revenues</b>	<b>51,182,554</b>	<b>43,762,110</b>	<b>6,400,880</b>	<b>5,375,526</b>	<b>57,583,434</b>	<b>49,137,636</b>
<b>Expenses:</b>						
General Government	11,165,321	9,134,244	-	-	11,165,321	9,134,244
Judicial	1,478,217	1,419,298	-	-	1,478,217	1,419,298
Public Safety	16,924,705	14,615,873	-	-	16,924,705	14,615,873
Public Works	4,862,531	3,244,703	-	-	4,862,531	3,244,703
Culture and Recreation	6,613,763	6,229,073	-	-	6,613,763	6,229,073
Housing and Development	2,945,872	547,631	-	-	2,945,872	547,631
Interest on long-term debt	2,165,065	847,387	-	-	2,165,065	847,387
Sanitation Services	-	-	5,316,257	4,817,512	5,316,257	4,817,512
<b>Total Expenses</b>	<b>46,155,474</b>	<b>36,038,209</b>	<b>5,316,257</b>	<b>4,817,512</b>	<b>51,471,731</b>	<b>40,855,721</b>
<b>Increase (decrease) in net position</b>						
before transfers	5,027,080	7,723,901	1,084,623	558,014	6,111,703	8,281,915
Transfers	105,737	159,725	(105,737)	(159,725)	-	-
<b>Change in net position</b>	<b>5,132,817</b>	<b>7,883,626</b>	<b>978,886</b>	<b>398,289</b>	<b>6,111,703</b>	<b>8,281,915</b>
Net position - beginning	79,343,481	71,459,855	10,715,817	10,317,528	90,059,298	81,777,383
<b>Net position - ending</b>	<b>\$ 84,476,298</b>	<b>\$ 79,343,481</b>	<b>\$ 11,694,703</b>	<b>\$ 10,715,817</b>	<b>\$ 96,171,001</b>	<b>\$ 90,059,298</b>

The most significant expenses are for Public Safety for \$16,924,705 representing 37% of the total governmental expenses. Public Safety increased by \$2,308,832 primarily attributable to acquisitions of capital assets such as vehicles, software, and equipment. The next most significant program expense is General Government. General Government expense of \$11,165,321 represents 24% of total governmental expenses and increased by \$2,031,077 (22%). The increase is due to increases in every division of General Government offset by a decrease in Building and Grounds (-\$48,886). The largest increase was General Administration (\$399,612 or 12%) followed by Human Resources (\$251,374 or 30%), Financial Administration (\$249,268 or 34%), and Engineering (\$248,635 or 274%).

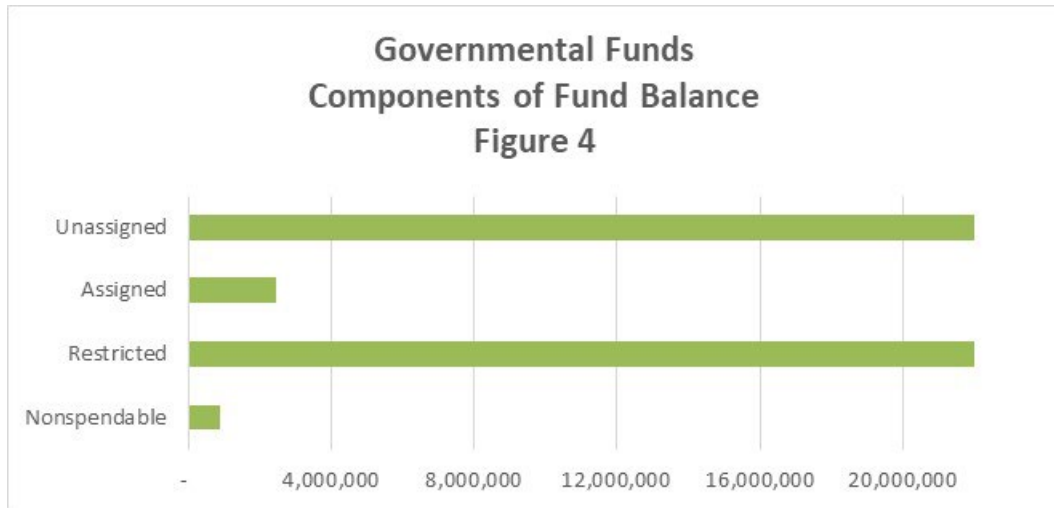
**Business-type activities:** For the City of Douglasville’s business-type activities, the results for the current fiscal year were positive in that overall net position increased by \$978,886 to reach an ending balance of \$11,694,703. The most significant business-type activity of the City is the Sanitation Services provided to the citizens of the City of Douglasville. Revenues in the Sanitation Enterprise Fund is made up of a combination of user fees, grants, and SPLOST. Charges for services increased by \$965,528 or 18% from prior year. No grants or contributions were received during the fiscal year. Expenses for providing sanitation services remained steady with a modest increase of \$498,745 or 10% over prior year.

## Financial Analysis of Governmental Funds

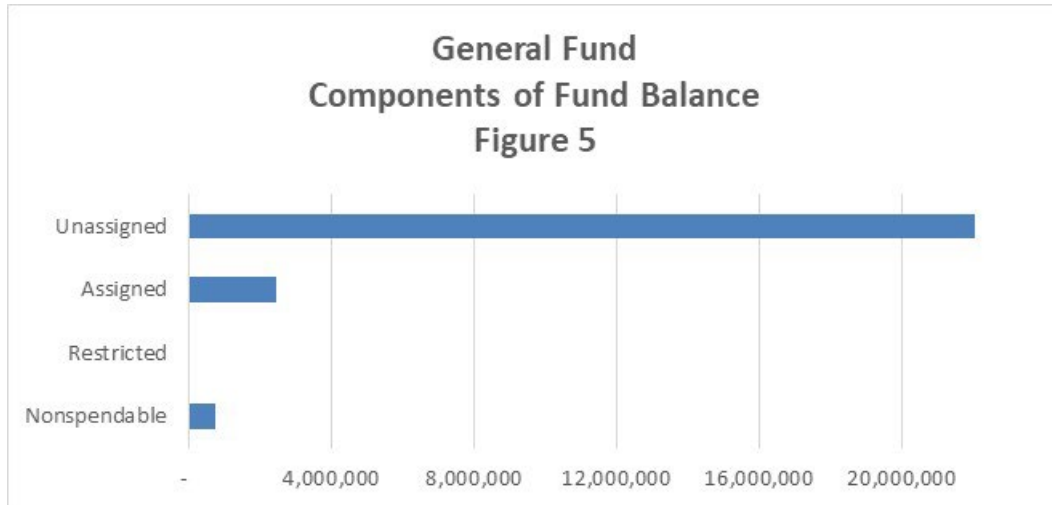
As noted earlier, the City of Douglasville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the City of Douglasville’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Douglasville’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s resources available for discretionary use. Unassigned fund balance represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Douglasville itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City of Douglasville’s Council.

At June 30, 2022, the City of Douglasville’s governmental funds reported combined fund balances of \$75,501,486, an increase of \$41,959,358 in comparison with the prior year.



The general fund is the chief operating fund of the City of Douglasville. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,983,366, an increase of \$4,981,811 in comparison with the prior year. As a measure of the general fund’s liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. At the end of fiscal year 2022, unassigned fund balance represents approximately 73% of total General Fund expenditures, while total fund balance represents approximately 82% of that same amount.



The primary reasons for the increase in fund balance for the General Fund:

- General Fund taxes increased \$2,157,790 over the prior year with Local Option Sales Taxes accounted for \$1,236,368 (57%) of that increase while Title Ad Valorem Tax (TAVT) accounted for 31% of that increase or \$673,543. The General Fund property taxes increase is due to increases in the valuation of the city’s digest.
- Intergovernmental revenues increased by \$1,779,403 or 8,897% over the prior year due to CARES Act funding received in fiscal year 2021.
- General Fund expenditures increased by \$6,451,501 or 22% over the prior year. The largest increases were in Debt Service (34%) and Culture and Recreation (30%). These increases as well as all the other departments were offset in part by a decrease in Public Works (-3%).

The SPLOST Fund, a major fund, had a \$363,447 decrease in fund balance during the current fiscal year which resulted in overall fund balance of \$2,059,010. The decrease in fund balance was caused mainly by the spending of resources obtained through sales tax collections, and issuance of long-term debt in prior periods on capital acquisition and construction in the current period. That is, fund balance that resulted from the previous long-term debt issuance and sales tax collections was spent down during the current period as the related capital projects progressed. Sales tax collections increased by \$3,236,040 over prior year.

The Jessie Davis Park Capital Project Fund and Town Green Amphitheatre Construction Fund, which are both considered major funds, are newly created funds this fiscal year. The fund balances are \$24,486,989 and \$12,360,991, respectively. The fund balance in both of these major funds is primarily attributable to proceeds from the issuance of long-term debt.

The American Rescue Plan Fund, a major fund, had an increase of \$7,811 over prior year.

**Proprietary Funds.** The City of Douglasville’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Sanitation Fund at the end of the fiscal year was \$3,822,855. The total increase in net position from the prior fiscal year was \$978,886.

**General Fund Budgetary Highlights**

**Original budget compared to final budget.** 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.

**Final budget compared to actual results.** During the fiscal year, actual revenues were ahead of budgeted amounts by \$211,602. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Taxes	\$ 29,787,540	\$ 29,634,469	\$ (153,071)
Fines and forfeitures	1,429,544	1,890,885	461,341
Charges for services	1,892,386	1,834,576	(57,810)
Net decr. in fair value of investments	-	(77,444)	(77,444)

Expenditures were \$2,473,731 less than the final approved budget. The most significant differences between appropriated expenditures and actual expenditures were as follows:

Department	Appropriated Expenditures	Actual Expenditures	Difference
Judicial	\$ 934,053	\$ 1,463,729	\$ (529,676)
Public Works	2,665,430	2,191,453	473,977
Housing and Development	2,128,792	1,495,407	633,385
Debt Service	398,348	533,032	(134,684)

## 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, 2022, amounts to \$117,984,236 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, and other infrastructure. The total increase in capital assets for the current fiscal year was approximately 1.79%.

**City of Douglasville Capital and Leased Assets  
Figure 6**

	Governmental Activities		Business-type Activites		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 30,372,132	\$ 30,372,132	\$ -	\$ -	\$ 30,372,132	\$ 30,372,132
Construction in Progress	5,113,708	3,603,455	-	-	5,113,708	3,603,455
Buildings	41,338,411	42,061,427	7,179,464	7,330,395	48,517,875	49,391,822
Other Improvements	11,264,930	11,205,615	14,793	15,748	11,279,723	11,221,363
Infrastructure	15,333,447	14,894,364	-	-	15,333,447	14,894,364
Vehicles, Machinery and Equipment	6,250,082	5,403,884	677,591	1,026,574	6,927,673	6,430,458
Leased Machinery and Equipment	439,678	-	-	-	439,678	-
	\$ 110,112,388	\$ 107,540,877	\$ 7,871,848	\$ 8,372,717	\$ 117,984,236	\$ 115,913,594

Major capital asset events during the current fiscal year included the following:

- City Hall roof renovation
- City Maintenance building renovations
- Replacement of 27 Police Vehicles and equipment
- City Gateway Sign at the I-20 Interchange
- Partially completed the Amphitheater and town green project
- West Pines golf course bunker renovation
- Underground fiber project from city hall building to sanitation and maintenance building

Additional information on the City’s capital assets can be found in Note 8 of the Basic Financial Statements.

**Long-term Debt.** At the end of the fiscal year, the City of Douglasville had total bonded debt outstanding of \$61,071,753.

**City of Douglasville Long Term Debt  
Figure 7**

	Governmental Activities		Business-type Activites		Total	
	2022	2021	2022	2021	2022	2021
Financed Purchases	\$ 851,820	\$ 215,267	\$ -	\$ 103,350	\$ 851,820	\$ 318,617
Lease Liabilities	432,377	-	-	-	432,377	-
Notes Payable	300,571	403,868	-	-	300,571	403,868
Compensated Absences	791,879	981,213	56,051	57,736	847,930	1,038,949
Premium	5,462,960	1,526,164	-	-	5,462,960	1,526,164
Discount	(10,991)	(12,382)	-	-	(10,991)	(12,382)
Net Pension Liability	979,738	6,568,896	74,393	527,926	1,054,131	7,096,822
Net OPEB obligation	31,417,224	32,198,208	-	-	31,417,224	32,198,208
Bonds Payable	61,071,753	26,627,195	-	-	61,071,753	26,627,195
<b>Total</b>	<b>\$ 101,297,331</b>	<b>\$ 68,508,429</b>	<b>\$ 130,444</b>	<b>\$ 689,012</b>	<b>\$ 101,427,775</b>	<b>\$ 69,197,441</b>

The City of Douglasville’s total debt increased \$32,230,334 (46.6%) during the current fiscal year. This increase is primarily due to issuance of the Series 2022 General Obligation Bonds used to pay for all or a portion of the costs of the acquisition, construction and furnishing of additional amenities and recreational facilities at the Jessie G. Davis Memorial Park, and other projects of the City. 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 City of Douglasville is \$144,402,514. 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 10 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.

- High inflation initially persisted in 2022 because of the combination of strong demand and restrained supply in the markets for goods, services, and labor. Inflation then subsided as supply disruptions dissipated, energy prices declined, and less accommodating monetary policy took hold. Since mid-2021, inflation has reached its fastest pace in four decades. The FY23 Budget anticipates economic growth to slow and inflationary pressures to ease.
- Low unemployment. The City of Douglasville’s unemployment rate of 6.4% is down from prior year rate of 8.1%. The City’s unemployment rate is slightly above the State average of 5.5%.
- Opening of new businesses has proceeded at a positive rate for several years, which have created new service area jobs.

## **Budget Highlights for the Fiscal Year Ending June 30, 2023**

**Governmental Activities:** The fiscal year 2023 General Fund budget is 1% lower than the 2022 amended General Fund budget. For the current adopted budget, the millage rate will remain the same as in the prior year at 7.211 mills.

The funds from additional property taxes will fund capital outlay and allow the City to keep on track with its capital improvement program. The City has received funds from the American Rescue Plan Act (ARPA). This amount is being used to fund capital items for FY23. The FY23 budget is based on a full recovery from the COVID-19 pandemic.

Major capital included in the 2023 budget consists of the new Amphitheater and Town Green. This project will be opening in the second half of FY23. Operating costs were programmed in the budget starting in March 2023, as well as the first-year debt Service payment.

The city programmed for an average 5% merit increase in the fiscal year 2023 budget. There is also a 2.0% COLA (Cost of Living Adjustment) programmed in the FY23 budget for all staff and multiple retention and recruitment incentives. The City has been struggling to fill vacancies in all departments.

2016 SPLOST revenues are 60% expended with the majority of the funds remaining for transportation projects and for public safety. The transportation funds will be used for resurfacing projects.

A 2022 SPLOST passed through voter referendum in November of 2020 and collections will begin in April of 2023. The City will continue to fund the capital improvement program. Additionally, there are funds allocated for preliminary engineering services for the Dallas Highway and Fairburn Road corridor improvements. Those projects are matching projects with a 20% match obligation from the City with 80% of project expenditures being reimbursable through the Atlanta Regional Commission.

The City received \$12 million in funds from the American Recovery Act and plans to use those funds for capital outlay, retention incentives and landscape maintenance on the I-20 interchange. Some projects that are currently being evaluated are a recycling center and a safety driving course which will be available for use for all surrounding cities/counties in Georgia.

**Business-Type Activities:** The Sanitation rates increased in January of 2021 for the first time in 15 years. The increase in revenues will help fund a new garbage truck, as well as resume recycling services for the City in FY22. Front-end service will continue to be outsourced.

### **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**

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**CITY OF DOUGLASVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

ASSETS	Primary Government			Component
	Governmental	Business-type	Total	Unit
	Activities	Activities		Development Authority
Cash and cash equivalents	\$ 77,573,886	\$ 3,917,375	\$ 81,491,261	\$ 527,003
Investments	5,579,111	-	5,579,111	-
Taxes receivable, net of allowances	466,826	-	466,826	-
Accounts receivable, net of allowances	630,479	461,184	1,091,663	87
Leases receivable	1,510,148	-	1,510,148	-
Other receivables	12,260	-	12,260	-
Due from other governments	1,122,174	-	1,122,174	-
Inventories	75,348	-	75,348	-
Prepaid items	728,977	151,156	880,133	3,646
Capital assets, non-depreciable	36,485,840	-	36,485,840	-
Capital assets, depreciable, net of accumulated depreciation	74,186,870	7,871,848	82,058,718	-
<b>Total assets</b>	<b>198,371,919</b>	<b>12,401,563</b>	<b>210,773,482</b>	<b>530,736</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges on refunding	938,239	-	938,239	-
Accumulated decrease in fair value of hedging derivative	46,000	-	46,000	-
Pension related items	2,512,196	190,757	2,702,953	-
OPEB related items	6,333,875	-	6,333,875	-
<b>Total deferred outflows of resources</b>	<b>9,830,310</b>	<b>190,757</b>	<b>10,021,067</b>	<b>-</b>
<b>LIABILITIES</b>				
Accounts payable	3,431,242	349,952	3,781,194	2,175
Retainage payable	394,646	-	394,646	-
Accrued liabilities	617,179	29,156	646,335	-
Accrued interest payable	779,278	-	779,278	-
Unearned revenue	5,994,704	-	5,994,704	-
Noncurrent liabilities				
Due within one year				
Customer deposits payable	186,653	37,404	224,057	-
Compensated absences	633,503	44,841	678,344	-
Lease liabilities	120,304	-	120,304	-
Financed purchases	272,285	-	272,285	-
Notes payable	115,001	-	115,001	-
Bonds payable	2,907,154	-	2,907,154	-
Due in more than one year				
Compensated absences	158,376	11,210	169,586	-
Lease liabilities	312,073	-	312,073	-
Financed purchases	579,535	-	579,535	-
Notes payable	185,570	-	185,570	-
Bonds payable	63,616,568	-	63,616,568	-
Fair value of hedging derivative	46,000	-	46,000	-
Net pension liability	979,738	74,393	1,054,131	-
Net OPEB liability	31,417,224	-	31,417,224	-
<b>Total liabilities</b>	<b>112,747,033</b>	<b>546,956</b>	<b>113,293,989</b>	<b>2,175</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of lease revenue	1,480,121	-	1,480,121	-
Pension related items	4,618,097	350,661	4,968,758	-
OPEB related items	4,880,680	-	4,880,680	-
<b>Total deferred inflows of resources</b>	<b>10,978,898</b>	<b>350,661</b>	<b>11,329,559</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	79,459,291	7,871,848	87,331,139	-
Restricted for:				
Economic development	682,427	-	682,427	-
Federal programs	7,811	-	7,811	-
Promotion of tourism	3,671,258	-	3,671,258	-
Capital projects	4,433,731	-	4,433,731	-
Unrestricted (deficit)	(3,778,220)	3,822,855	44,635	528,561
<b>Total net position</b>	<b>\$ 84,476,298</b>	<b>\$ 11,694,703</b>	<b>\$ 96,171,001</b>	<b>\$ 528,561</b>

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, 2022**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 11,165,321	\$ 5,906,624	\$ 146,309	\$ -
Judicial	1,478,217	1,906,279	109	-
Public safety	16,924,705	185,355	36,389	1,100,884
Public works	4,862,531	-	781,944	3,454,881
Culture and recreation	6,613,763	1,641,721	-	981,227
Housing and development	2,945,872	339,214	10,344	38,604
Interest and fiscal charges on long-term debt	2,165,065	-	-	-
Total governmental activities	<u>46,155,474</u>	<u>9,979,193</u>	<u>975,095</u>	<u>5,575,596</u>
Business-type activities:				
Sanitation	<u>5,316,257</u>	<u>6,312,906</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>5,316,257</u>	<u>6,312,906</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 51,471,731</u>	<u>\$ 16,292,099</u>	<u>\$ 975,095</u>	<u>\$ 5,575,596</u>
<b>Component unit:</b>				
Development Authority	\$ 132,534	\$ 10,000	\$ 133,425	\$ -
Total component unit	<u>\$ 132,534</u>	<u>\$ 10,000</u>	<u>\$ 133,425</u>	<u>\$ -</u>

General revenues:

- Property taxes
- Sales taxes
- Hotel/Motel taxes
- Franchise taxes
- Insurance premium taxes
- Alcohol beverage taxes
- Unrestricted investment earnings
- Gain from sale of capital assets
- Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

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

**Net (Expenses) Revenues and Changes in Net Position**

	Primary Government		Total	Component Unit
	Governmental Activities	Business-type Activities		Development Authority
\$ (5,112,388)	\$ -	\$ (5,112,388)	\$ -	
428,171	-	428,171	-	
(15,602,077)	-	(15,602,077)	-	
(625,706)	-	(625,706)	-	
(3,990,815)	-	(3,990,815)	-	
(2,557,710)	-	(2,557,710)	-	
(2,165,065)	-	(2,165,065)	-	
<u>(29,625,590)</u>	<u>-</u>	<u>(29,625,590)</u>	<u>-</u>	
-	996,649	996,649	-	
-	996,649	996,649	-	
<u>\$ (29,625,590)</u>	<u>\$ 996,649</u>	<u>\$ (28,628,941)</u>	<u>\$ -</u>	
\$ -	\$ -	\$ -	\$ 10,891	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,891</u>	
\$ 15,190,285	\$ -	\$ 15,190,285	\$ -	
10,066,787	-	10,066,787	-	
2,398,969	-	2,398,969	-	
2,690,488	-	2,690,488	-	
2,479,272	-	2,479,272	-	
1,311,665	-	1,311,665	-	
206,767	7,974	214,741	678	
-	80,000	80,000	-	
308,437	-	308,437	-	
105,737	(105,737)	-	-	
<u>34,758,407</u>	<u>(17,763)</u>	<u>34,740,644</u>	<u>678</u>	
5,132,817	978,886	6,111,703	11,569	
79,343,481	10,715,817	90,059,298	516,992	
<u>\$ 84,476,298</u>	<u>\$ 11,694,703</u>	<u>\$ 96,171,001</u>	<u>\$ 528,561</u>	

**CITY OF DOUGLASVILLE, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

ASSETS	General	American Rescue Plan Fund	SPLOST 2016	Jessie Davis Park Capital Project Fund	Town Green Amphitheater Construction Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 23,659,749	\$ 6,056,893	\$ 3,250,181	\$ 24,924,819	\$ 13,613,379	\$ 6,068,865	\$ 77,573,886
Investments	4,518,168	-	-	-	-	1,060,943	5,579,111
Receivables, net:							
Taxes receivable	202,570	-	-	-	-	264,256	466,826
Accounts receivable	630,479	-	-	-	-	-	630,479
Leases receivable	17,091	-	-	-	-	1,493,057	1,510,148
Other receivables	-	740	548	-	-	10,972	12,260
Due from other governments	1,041,485	-	-	-	-	80,689	1,122,174
Due from other funds	731,114	-	-	-	-	-	731,114
Inventories	75,348	-	-	-	-	-	75,348
Prepaid items	662,028	-	-	-	-	66,949	728,977
Total assets	<u>\$ 31,538,032</u>	<u>\$ 6,057,633</u>	<u>\$ 3,250,729</u>	<u>\$ 24,924,819</u>	<u>\$ 13,613,379</u>	<u>\$ 9,045,731</u>	<u>\$ 88,430,323</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 1,475,789	\$ 55,118	\$ 1,085,762	\$ 57,994	\$ 641,958	\$ 114,621	\$ 3,431,242
Retainage payable	-	-	105,957	-	288,689	-	394,646
Accrued liabilities	601,699	-	-	-	-	15,480	617,179
Due to other funds	-	-	-	379,836	321,741	29,537	731,114
Unearned revenue	-	5,994,704	-	-	-	-	5,994,704
Deposits payable	186,653	-	-	-	-	-	186,653
Total liabilities	<u>2,264,141</u>	<u>6,049,822</u>	<u>1,191,719</u>	<u>437,830</u>	<u>1,252,388</u>	<u>159,638</u>	<u>11,355,538</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred inflows of lease revenue	17,798	-	-	-	-	1,462,323	1,480,121
Unavailable revenue - property tax	91,965	-	-	-	-	1,213	93,178
	<u>109,763</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,463,536</u>	<u>1,573,299</u>
<b>FUND BALANCES</b>							
Fund balances:							
Nonspendable:							
Prepaid items	662,028	-	-	-	-	66,949	728,977
Inventories	75,348	-	-	-	-	-	75,348
Long term lease receivable	-	-	-	-	-	51,850	51,850
Restricted for:							
Economic development	-	-	-	-	-	682,427	682,427
Federal programs	-	7,811	-	-	-	-	7,811
Promotion of tourism	-	-	-	-	-	3,604,309	3,604,309
Capital projects	-	-	2,059,010	24,486,989	12,360,991	2,374,721	41,281,711
Debt service	-	-	-	-	-	642,301	642,301
Assigned:							
Retiree benefits	744,107	-	-	-	-	-	744,107
Fiscal year 2023 operations	1,699,279	-	-	-	-	-	1,699,279
Unassigned	25,983,366	-	-	-	-	-	25,983,366
Total fund balances	<u>29,164,128</u>	<u>7,811</u>	<u>2,059,010</u>	<u>24,486,989</u>	<u>12,360,991</u>	<u>7,422,557</u>	<u>75,501,486</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,538,032</u>	<u>\$ 6,057,633</u>	<u>\$ 3,250,729</u>	<u>\$ 24,924,819</u>	<u>\$ 13,613,379</u>	<u>\$ 9,045,731</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.							110,672,710
Some revenues are not available in the current period and, therefore, are reported as deferred inflows of resources in the governmental funds.							93,178
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.							(33,049,668)
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.							46,000
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.							(68,787,408)
Net position of governmental activities							<u>\$ 84,476,298</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, 2022**

	General	American Rescue Plan Fund	SPLOST 2016	Jessie Davis Park Capital Project Fund	Town Green Amphitheater Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 29,634,469	\$ -	\$ -	\$ -	\$ -	\$ 4,547,690	\$ 34,182,159
Licenses and permits	5,042,535	-	-	-	-	-	5,042,535
Intergovernmental	20,000	352,220	4,863,919	-	-	1,800,919	7,037,058
Fines and forfeitures	1,890,885	-	-	-	-	28,845	1,919,730
Charges for services	1,834,576	-	-	-	-	278,069	2,112,645
Investment income	67,331	7,811	3,043	24,819	9,681	97,125	209,810
Net decrease in fair value of investments	(77,444)	-	-	-	-	-	(77,444)
Contributions	4,850	-	-	-	-	-	4,850
Miscellaneous	394,629	-	-	-	-	308,437	703,066
<b>Total revenues</b>	<b>38,811,831</b>	<b>360,031</b>	<b>4,866,962</b>	<b>24,819</b>	<b>9,681</b>	<b>7,061,085</b>	<b>51,134,409</b>
<b>Expenditures</b>							
<b>Current:</b>							
General government	10,288,544	146,309	53,238	-	-	8,087	10,496,178
Judicial	1,463,729	109	-	-	-	-	1,463,838
Public safety	15,353,378	11,539	-	-	-	199,105	15,564,022
Public works	2,191,453	-	1,058,790	-	-	677,047	3,927,290
Culture and recreation	4,176,134	-	620,648	-	-	1,400,386	6,197,168
Housing and development	1,495,407	10,344	35,157	-	-	1,104,695	2,645,603
Capital outlay	-	183,919	3,238,223	437,830	2,887,566	-	6,747,538
<b>Debt service:</b>							
Principal retirement	412,980	-	215,267	-	-	2,240,442	2,868,689
Interest and fiscal charges	120,052	-	9,086	-	122,124	854,246	1,105,508
Bond issuance costs	-	-	-	600,690	222,033	-	822,723
<b>Total expenditures</b>	<b>35,501,677</b>	<b>352,220</b>	<b>5,230,409</b>	<b>1,038,520</b>	<b>3,231,723</b>	<b>6,484,008</b>	<b>51,838,557</b>
Excess (deficiency) of revenues over expenditures	3,310,154	7,811	(363,447)	(1,013,701)	(3,222,042)	577,077	(704,148)
<b>Other financing sources (uses):</b>							
Proceeds from sale of capital assets	43,409	-	-	-	-	11,937	55,346
Proceeds of long term debt	1,418,880	-	-	22,485,000	14,375,000	-	38,278,880
Issuance of premiums on long term debt	-	-	-	3,015,690	1,208,033	-	4,223,723
Transfers in	105,737	-	-	-	-	413,108	518,845
Transfers out	(212,675)	-	-	-	-	(200,433)	(413,108)
<b>Total other financing sources (uses)</b>	<b>1,355,351</b>	<b>-</b>	<b>-</b>	<b>25,500,690</b>	<b>15,583,033</b>	<b>224,612</b>	<b>42,663,686</b>
Net change in fund balance	4,665,505	7,811	(363,447)	24,486,989	12,360,991	801,689	41,959,538
<b>Fund balances, beginning of year</b>	<b>24,498,623</b>	<b>-</b>	<b>2,422,457</b>	<b>-</b>	<b>-</b>	<b>6,620,868</b>	<b>33,541,948</b>
<b>Fund balances, end of year</b>	<b>\$ 29,164,128</b>	<b>\$ 7,811</b>	<b>\$ 2,059,010</b>	<b>\$ 24,486,989</b>	<b>\$ 12,360,991</b>	<b>\$ 7,422,557</b>	<b>\$ 75,501,486</b>

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, 2022**

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

Net change in fund balances - total governmental funds	\$	41,959,538
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.		3,190,155
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.		(58,322)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(29,207)
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.		(39,450,427)
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.		(478,920)
Change in net position - governmental activities	\$	<u>5,132,817</u>

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

**CITY OF DOUGLASVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2022**

	<b>Major Enterprise Fund Sanitation Fund</b>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 3,917,375
Accounts receivable, net of allowances	461,184
Prepaid items	151,156
Total current assets	4,529,715
<b>NON-CURRENT ASSETS</b>	
Depreciable capital assets, net of accumulated depreciation	7,871,848
Total non-current assets	7,871,848
Total assets	12,401,563
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related items	190,757
<b>CURRENT LIABILITIES</b>	
Accounts payable	349,952
Accrued liabilities	29,156
Customer deposits payable	37,404
Compensated absences, due within one year	44,841
Total current liabilities	461,353
<b>NON-CURRENT LIABILITIES</b>	
Compensated absences, due in more than one year	11,210
Net pension liability	74,393
Total non-current liabilities	85,603
Total liabilities	546,956
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related items	350,661
<b>NET POSITION</b>	
Net investment in capital assets	7,871,848
Unrestricted	3,822,855
Total net position	\$ 11,694,703

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, 2022**

	<b>Major Enterprise Fund Sanitation Fund</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 6,312,906
<b>OPERATING EXPENSES</b>	
Personnel costs	1,385,521
Purchased and contracted services	2,788,844
Other operating expenses	639,904
Depreciation	500,869
Total operating expenses	5,315,138
Operating income	997,768
<b>NON-OPERATING INCOME (EXPENSES)</b>	
Investment income	7,974
Gain on disposal of capital assets	80,000
Interest expense	(1,119)
Total non-operating income (expenses)	86,855
Income before transfers	1,084,623
<b>TRANSFERS OUT</b>	(105,737)
Change in net position	978,886
<b>NET POSITION, beginning of year</b>	10,715,817
<b>NET POSITION, end of year</b>	\$ 11,694,703

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, 2022**

	<b>Major Enterprise Fund Sanitation Fund</b>
<b>Cash flows from operating activities</b>	
Receipts from customers	\$ 6,279,444
Payments to suppliers and service providers	(3,452,725)
Payments to employees	(1,433,717)
	1,393,002
<b>Net cash provided by operating activities</b>	
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers to other funds	(105,737)
	(105,737)
<b>Net cash used in noncapital financing activities</b>	
<b>Cash flows from capital and related financing activities</b>	
Principal paid on financed purchase	(103,350)
Interest paid on financed purchase	(1,119)
Proceeds of sales of capital assets	80,000
	(24,469)
<b>Net cash used in capital and related financing activities</b>	
<b>Cash flows from investing activities</b>	
Interest income on investments	7,974
	7,974
<b>Net cash provided by investing activities</b>	
Increase in cash and cash equivalents	1,270,770
<b>Cash and cash equivalents:</b>	
Beginning of year	2,646,605
End of year	\$ 3,917,375
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 997,768
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	500,869
(Increase) in:	
Accounts receivable	(40,959)
Prepaid items	(137,919)
Increase (decrease) in:	
Accrued liabilities	(6,261)
Accounts payable	113,942
Customer deposits payable	7,497
Compensated absences	(1,685)
Net pension liability (and related deferred outflows/inflows of resources)	(40,250)
	(40,250)
<b>Net cash provided by operating activities</b>	
	\$ 1,393,002

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

## **NOTES TO FINANCIAL STATEMENTS**

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**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**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 Unit***

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.

***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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of* accounting, as is the proprietary. 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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and postemployment benefits are recognized later based on specific accounting rule applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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 ***American Rescue Plan Act Fund*** is a special revenue fund and accounts for the amounts awarded to the City under the Coronavirus State and Local Fiscal Recovery Funds program, provided for under the American Rescue Plan Act of 2021.

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

The ***Jessie Davis Park Capital Project Fund*** is a capital project fund established to account for the City's expenditure of proceeds from the issuance of the 2022 General Obligation Bonds for the renovation of Jessie Davis Park.

The ***Town Green Amphitheater Capital Project Fund*** is a capital project fund established to account for the City's expenditure of proceeds from the issuance of the 2021 Conference Center Revenue Bonds for the construction of a new amphitheater in the City.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

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.

**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 AAAs 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 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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, 2022, are recorded as prepaid items in both government-wide and fund financial statements using the purchases method.

**H. Capital Assets**

Capital assets and right to use leased 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.



**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Capital Assets (Continued)**

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:	5-10
Right-to-use leased equipment	5-10

**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.

**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 assets 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 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 assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two (2) items that qualify for reporting in this category (aside from deferred inflows related to pensions and OPEB which are discussed below). One of these items 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 second item reported, *deferred inflows of lease revenue*, is reported in the governmental funds balance sheet, as well as the government wide statement of net position, and will be recognized in the period in which the lease payments are received.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Deferred Outflows/Inflows of Resources (Continued)**

The City also has deferred outflows and inflows of resources related to the recording of changes in its net pension liability and net 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 net 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 net 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 net OPEB liability are reported as deferred outflows of resources. These contributions will reduce the net pension liability and net OPEB liability in the next fiscal year.

**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. Leases**

*Lessee*

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$25,000 or more.

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

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Leases (Continued)**

*Lessee (continued)*

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

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

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

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

*Lessor*

The City is a lessor for noncancellable leases of real property. The City recognizes a lease receivable asset and a deferred inflow of resources in the fund level and government wide financial statements. The City recognizes lease receivable assets with an initial, individual value of \$25,000 or more.

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

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

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

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

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. 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.

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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Fund Equity (Continued)**

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

**N. 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.

**O. 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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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 net 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 \$33,049,668 difference are as follows:

Deferred outflows of resources - pension related items	\$ 2,512,196
Net pension liability	(979,738)
Deferred inflows of resources - pension related items	(4,618,097)
Deferred outflows of resources - OPEB related items	6,333,875
Net OPEB liability	(31,417,224)
Deferred inflows of resources - OPEB related items	<u>(4,880,680)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (33,049,668)</u></u>

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 \$68,787,408 difference are as follows:

Accrued interest payable	\$ (779,278)
Lease liabilities payable	(432,377)
Financed purchases payable	(851,820)
Compensated absences payable	(791,879)
Notes payable	(300,571)
Bonds payable	(61,071,753)
Bond premiums, unamortized balance	(5,462,960)
Bond discounts, unamortized balance	10,991
Deferred charges from refunding, unamortized balance	938,239
Fair value of hedging derivative	<u>(46,000)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u><u>\$ (68,787,408)</u></u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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 \$3,190,155 difference are as follows:

Capital outlay	\$ 7,879,189
Depreciation and amortization expense	(4,689,034)
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>\$ 3,190,155</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 \$39,450,427 difference are as follows:

Principal payments - lease liabilities	\$ 134,683
Principal payments - financed purchases	215,267
Principal payments - notes payable	103,297
Principal payments - bonds	2,415,442
Amortization of bond premiums	286,927
Amortization of bond discounts	(1,391)
Amortization of deferred charges on refunding	(102,049)
Proceeds of lease liabilities	(567,060)
Proceeds of financed purchases	(851,820)
Proceeds of bonds payable	(36,860,000)
Issuance of bond premiums	<u>(4,223,723)</u>
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>	<u>\$ (39,450,427)</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**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 \$478,920 difference are as follows:

Compensated absences	\$ 189,334
Accrued interest	(420,321)
Claims and judgments paid	175,000
Pension expense	330,507
OPEB expense	(752,853)
Amortization of prepaid bond insurance	<u>(587)</u>
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>	<u><u>\$ (478,920)</u></u>

**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, 2022**

**NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)**

The following General fund department and other governmental funds had actual expenditures in excess of appropriations for the fiscal year ended June 30, 2022:

General Fund - Judicial	\$ 529,676
General Fund - Public safety	455,465
General Fund - Debt service	134,684
General Fund - Culture and recreation:	
West Pines Golf Course	134,261
American Rescue Plan Act Fund	352,220

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, 2022:

<b>Investment</b>	<b>Maturities</b>	<b>Balance</b>
Deposits with financial institutions	---	\$ 56,884,856
Certificate of deposit	May 15, 2024	1,060,943
Certificate of deposit	June 30, 2023	20,013
Certificate of deposit	September 6, 2022	1,319,671
Certificate of deposit	May 23, 2023	1,056,246
Certificate of deposit	May 23, 2023	1,056,168
Certificate of deposit	December 26, 2022	1,066,070
Georgia Fund I	43 day WAM (1)	24,606,405
Total		\$ 87,070,372
<b>As reported in the Statement of Net Position:</b>		
Cash and cash equivalents		\$ 81,491,261
Investments		5,579,111
Total		\$ 87,070,372

(1) Weighted average maturity

**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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)**

**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 10. 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, 2022, 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, 2022 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, 2022**

**NOTE 5. RECEIVABLES**

Receivables at June 30, 2022, 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	\$ 202,570	\$ -	\$ 264,256	\$ -	\$ 466,826
Accounts receivables	4,300,662	-	-	498,580	4,799,242
Leases receivable	17,091	-	1,493,057	-	1,510,148
Other receivables	-	548	10,972	-	11,520
Intergovernmental	1,041,485	-	80,689	-	1,122,174
Gross receivables	5,561,808	548	1,848,974	498,580	7,909,910
Less allowance for uncollectibles	(3,670,183)	-	-	(37,396)	(3,707,579)
Net total receivables	<u>\$ 1,891,625</u>	<u>\$ 548</u>	<u>\$ 1,848,974</u>	<u>\$ 461,184</u>	<u>\$ 4,202,331</u>

**NOTE 6. LEASES RECEIVABLE**

The City has leased a building to a third party. The City receives monthly payments of \$34,553, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used an incremental borrowing rate of 5.25% as the discount rate for the lease. For the current year, the City recognized \$365,581 in lease revenue and \$79,793 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on June 30, 2026. This deferred inflow of resources has a balance of \$1,462,323 as of June 30, 2022. As of June 30, 2022, the City's receivable for lease payments was \$1,493,057.

The City has leased a parcel of land to a third party. The City receives monthly payments of \$2,511, which include the principal and interest components of the payments. As the lease does not contain a specific interest rate, the City has used an incremental borrowing rate of 8.50% as the discount rate for the lease. For the current year, the City recognized \$26,696 in lease revenue and \$2,731 in interest revenue related to the lease. Also, the City has a deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on February 28, 2023. This deferred inflow of resources has a balance of \$17,798 as of June 30, 2022. As of June 30, 2022, the City's receivable for lease payments was \$17,091.

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Leases receivable</b>					
Building lease - Public Purpose Corp	\$ 1,827,904	\$ -	\$ (334,847)	\$ 1,493,057	\$ 344,465
Cell tower lease - General Fund	44,494	-	(27,403)	17,091	17,091
	<u>\$ 1,872,398</u>	<u>\$ -</u>	<u>\$ (362,250)</u>	<u>\$ 1,510,148</u>	<u>\$ 361,556</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 7. 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, 2022, property taxes were billed by Douglas County on October 15, 2021 and due December 15, 2021. Collections not received by December 16, 2021 are considered delinquent. The dates on which liens were attached to property for unpaid taxes varied.

**NOTE 8. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2022, is as follows:

**A. Primary Government**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 30,372,132	\$ -	\$ -	\$ -	\$ 30,372,132
Construction in progress	3,603,455	5,113,767	(2,603,514)	-	6,113,708
Total	<u>33,975,587</u>	<u>5,113,767</u>	<u>(2,603,514)</u>	<u>-</u>	<u>36,485,840</u>
Capital assets, being depreciated:					
Infrastructure	99,628,619	32,180	1,330,122	-	100,990,921
Buildings	55,497,861	-	420,237	-	55,918,098
Other improvements	17,082,508	-	853,155	-	17,935,663
Machinery, equipment, and vehicles	21,587,314	2,166,182	-	(463,317)	23,290,179
Total	<u>193,796,302</u>	<u>2,198,362</u>	<u>2,603,514</u>	<u>(463,317)</u>	<u>198,134,861</u>
Less accumulated depreciation:					
Infrastructure	(84,734,255)	(923,219)	-	-	(85,657,474)
Buildings	(13,436,434)	(1,143,253)	-	-	(14,579,687)
Other improvements	(5,876,893)	(793,840)	-	-	(6,670,733)
Machinery, equipment, and vehicles	(16,183,430)	(1,701,340)	-	404,995	(17,479,775)
Total	<u>(120,231,012)</u>	<u>(4,561,652)</u>	<u>-</u>	<u>404,995</u>	<u>(124,387,669)</u>
Total assets, being depreciated, net	<u>73,565,290</u>	<u>(2,363,290)</u>	<u>2,603,514</u>	<u>(58,322)</u>	<u>73,747,192</u>
Governmental activities capital assets, net excluding leased assets	<u>\$ 107,540,877</u>	<u>\$ 2,750,477</u>	<u>\$ -</u>	<u>\$ (58,322)</u>	110,233,032
Leased assets, net (Note 9)					<u>439,678</u>
Total capital assets, net as reported in the statement of net position					<u>\$ 110,672,710</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 8. CAPITAL ASSETS (CONTINUED)**

**B. Business-type Activities**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type activities</b>					
Capital assets, being depreciated:					
Buildings	\$ 7,565,417	\$ -	\$ -	\$ -	\$ 7,565,417
Vehicles	3,946,743	-	(217,989)	-	3,728,754
Machinery and equipment	671,365	-	-	-	671,365
Improvements	19,091	-	-	-	19,091
Total	<u>12,202,616</u>	<u>-</u>	<u>(217,989)</u>	<u>-</u>	<u>11,984,627</u>
Less accumulated depreciation for:					
Buildings	(235,022)	(150,931)	-	-	(385,953)
Vehicles	(2,939,279)	(320,353)	217,989	-	(3,041,643)
Machinery and equipment	(652,255)	(28,630)	-	-	(680,885)
Improvements	(3,343)	(955)	-	-	(4,298)
Total	<u>(3,829,899)</u>	<u>(500,869)</u>	<u>217,989</u>	<u>-</u>	<u>(4,112,779)</u>
Total assets, being depreciated, net	<u>8,372,717</u>	<u>(500,869)</u>	<u>-</u>	<u>-</u>	<u>7,871,848</u>
Business-type activities capital assets, net	<u>\$ 8,372,717</u>	<u>\$ (500,869)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,871,848</u>

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

<b>Governmental activities:</b>	
General government	\$ 657,423
Public safety	1,747,893
Public works	931,607
Culture and recreation	959,724
Housing and development	392,387
Leased assets	(127,382)
Total depreciation expense - governmental activities	<u>\$ 4,561,652</u>
<b>Business-type activities</b>	
Sanitation	<u>\$ 500,869</u>
Total depreciation expense - business-type activities	<u>\$ 500,869</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9. LEASED ASSETS**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Right to use leased assets:</b>				
Leased assets, being depreciated:				
Machinery and equipment	\$ -	\$ 567,060	\$ -	\$ 567,060
Total	-	567,060	-	567,060
Less accumulated depreciation:				
Machinery and equipment	-	(127,382)	-	(127,382)
Total	-	(127,382)	-	(127,382)
Governmental activities leased assets, net	\$ -	\$ 439,678	\$ -	\$ 439,678

**NOTE 10. LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2022, is as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities:</b>					
Direct placement - bonds payable	\$ 26,627,195	\$ 36,860,000	\$ (2,415,442)	\$ 61,071,753	\$ 2,907,154
Plus unamortized premiums	1,526,164	4,223,723	(286,927)	5,462,960	-
Less unamortized discounts	(12,382)	-	1,391	(10,991)	-
Bonds payable, net	28,140,977	41,083,723	(2,700,978)	66,523,722	2,907,154
Direct borrowing - financed purchases	215,267	851,820	(215,267)	851,820	272,285
Direct borrowing - notes payable	403,868	-	(103,297)	300,571	115,001
Lease liabilities	-	567,060	(134,683)	432,377	120,304
Claims and judgments payable	175,000	-	(175,000)	-	-
Net pension liability	6,568,896	3,782,610	(9,371,768)	979,738	-
Total OPEB liability	32,198,208	1,705,915	(2,486,899)	31,417,224	-
Compensated absences	981,213	517,715	(707,049)	791,879	633,503
Governmental activities Long-term liabilities	\$ 68,683,429	\$ 48,508,843	\$ (15,894,941)	\$ 101,297,331	\$ 4,048,247
<b>Business-type activities:</b>					
Direct borrowing - financed purchases	\$ 103,350	\$ -	\$ (103,350)	\$ -	\$ -
Compensated absences	57,736	38,154	(39,839)	56,051	44,841
Net pension liability	527,926	287,221	(740,754)	74,393	-
Business-type activity Long-term liabilities	\$ 689,012	\$ 325,375	\$ (883,943)	\$ 130,444	\$ 44,841

For governmental activities, the net pension liability, net 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.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 10. LONG-TERM DEBT (CONTINUED)**

**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, 2022, the outstanding balance of the Series 2009 bonds is \$9,985,000.

**General Obligation Bonds (continued).** In February 2022 the City issued General Obligation Bonds, Series 2022 in the aggregate principal amount of \$22,485,000, the proceeds of which (when combined with the original issue premium of \$3,015,690) will be used to pay for all or a portion of the costs of the acquisition, construction and furnishing of additional amenities and recreational facilities at the Jessie G. Davis Memorial Park, and other projects of the City. 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, 2024 until the bonds mature on February 1, 2047. As of June 30, 2022, the outstanding balance of the Series 2022 bonds is \$22,485,000.

**Revenue Bonds.** In September 2005, the Douglasville Public Purpose Corporation issued Series 2005 revenue bonds in the aggregate principal amount of \$7,253,713 (\$1,946,753 outstanding at June 30, 2022) 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 of June 30, 2022, the outstanding balance of the Series 2005 bonds is \$1,946,753. 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, 2022, the floating rate being received by the City from the Swap Counterparty and paid by the City to bondholders is 1.15% and the market value of this agreement is (\$46,000), an increase of \$116,648 from the market value at the end of the previous fiscal year.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 10. LONG-TERM DEBT (CONTINUED)**

**Revenue Bonds (Continued).** The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2022 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 had one principal payment to make for the 2011 bonds in the amount of \$400,000, which was made on February 1, 2022. The Series 2011 bonds were fully repaid in the fiscal year ended June 30, 2022.

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, 2022, the outstanding balance of the Series 2017A bonds is \$9,015,000 and Series 2017B bonds is \$345,000.

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, 2022, 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.



**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10. LONG-TERM DEBT (CONTINUED)**

**Revenue Bonds (Continued).** On January 4, 2012, the Douglasville Convention and Conference Center Authority issued \$3,770,000 of Series 2012 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. The Series 2012 bonds were fully repaid in the fiscal year ended June 30, 2022.

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, 2022, the outstanding balance of the Series 2013 bonds is \$2,920,000.

The City's outstanding amounts from direct placement related to the West Pines Golf Course of \$3,095,000 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.

In September 2021, the Douglasville Convention and Conference Center Authority issued \$14,375,000 of Series 2021 revenue bonds for the purpose of paying the cost of acquiring, constructing, installing, and equipping of public parks and recreation improvements located within the City. 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, 2023 until the bonds mature on February 1, 2047. As of June 30, 2022, the outstanding balance of the Series 2021 bonds is \$14,375,000.

The annual debt service requirements to maturity on all of the City's bonds outstanding at June 30, 2022, are as follows:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 2,907,154	\$ 2,008,079	\$ 4,915,233
2024	3,531,421	2,111,958	5,643,379
2025	3,661,738	1,997,732	5,659,470
2026	3,756,440	1,897,156	5,653,596
2027	3,365,000	1,790,794	5,155,794
2028-2032	13,890,000	6,994,075	20,884,075
2033-2037	10,550,000	4,497,563	15,047,563
2038-2042	8,860,000	2,738,975	11,598,975
2043-2047	10,550,000	1,092,800	11,642,800
Total	<u>\$ 61,071,753</u>	<u>\$ 25,129,132</u>	<u>\$ 86,200,885</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10. LONG-TERM DEBT (CONTINUED)**

**Direct Borrowings**

**Financed Purchases**

The City has entered into financed purchase agreements the acquisition of various items including equipment and improvements used in general governmental activities. The agreements qualify as capital leases for accounting purposes as the titles to the property transfer to the City at the end of the agreement terms and therefore, the liabilities have been recorded at the present values of the future minimum financed purchase 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, 2022 is \$851,820 and there has been \$61,648 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 financed purchases are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2023	\$ 272,285	\$ 35,955	\$ 308,240
2024	283,778	24,462	308,240
2025	<u>295,757</u>	<u>12,483</u>	<u>308,240</u>
Total	<u>\$ 851,820</u>	<u>\$ 72,900</u>	<u>\$ 924,720</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:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
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>\$ 300,571</u>	<u>\$ 42,197</u>	<u>\$ 342,768</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 10. LONG-TERM DEBT (CONTINUED)**

**Lease Liabilities**

In August 2021, the City entered into a five-year lease agreement as lessee for police department taser equipment. An initial lease liability was recorded in the amount of \$287,654. As of June 30, 2022, the value of the lease liability was \$225,525. The City is required to make annual payments of \$62,130. The lease has an interest rate of 4.00%. The equipment has a 5-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was \$287,654 and had accumulated amortization of \$57,531.

In August 2021, the City entered into a four-year lease agreement as lessee for golf carts. An initial lease liability was recorded in the amount of \$279,406. As of June 30, 2022, the value of the lease liability was \$206,853. The City is required to make annual payments of \$72,553. The lease has an interest rate of 2.59%. The equipment has a 4-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was \$279,406 and had accumulated amortization of \$69,851.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2023	\$ 120,304	\$ 14,378	\$ 134,682
2024	124,169	10,514	134,683
2025	128,164	6,519	134,683
2026	<u>59,740</u>	<u>2,390</u>	<u>62,130</u>
Total	<u>\$ 432,377</u>	<u>\$ 33,801</u>	<u>\$ 466,178</u>

**Business Type Activities**

The City's Sanitation Fund has entered into a financed purchase agreement to finance the acquisition of a vehicle used in business type activities. The agreement qualifies as a capital lease for accounting purposes as the title to the property transfers to the City at the end of the agreement term and therefore, the financed purchase has been recorded at the present value of the future minimum lease payments as of the date of its inception. Financed purchase payments were due in monthly installments. As of June 30, 2022, the balance on the financed purchase was paid in full.

The original cost of the Sanitation Fund's asset under the financed purchase arrangement at June 30, 2022 is \$271,204 and there has been \$131,297 of accumulated depreciation as of year-end. Annual depreciation of this asset is included in depreciation expense.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 11. INTERFUND BALANCES AND TRANSFERS**

The composition of due to/from other funds as of June 30, 2022 is as follows:

Due to	Due from	Amount
General fund	Jessie Davis Park Capital Project Fund	\$ 379,836
General fund	Town Green Amphitheater Fund	321,741
General fund	Other governmental funds	29,537
		\$ 731,114

Interfund balances are the result of expenditures being covered by the General Fund for projects and purposes of other governmental funds, and are due to the timing of year end and the actual payments and receipts between the funds.

The composition of transfers to/from during the year ended June 30, 2022 is as follows:

Transfers in	Transfers Out			Total
	General Fund	Sanitation Fund	Other Governmental Funds	
General Fund	\$ -	\$ 105,737	\$ -	\$ 105,737
Other Governmental Funds	212,675	-	200,433	413,108
	\$ 212,675	\$ 105,737	\$ 200,433	\$ 518,845

Transfers are used to (1) move the matching portion of grant funding from the General Fund to the Multiple Grants Fund (2) move rental car tax to the Hotel Motel Tax Fund to supplement funding for debt service payments, and (3) to move unrestricted funds from the General Fund to the Hotel Motel Tax Fund to cover a potential budget shortfall in revenue.

**NOTE 12. 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, 229 Peachtree St. NE Suite 100, Atlanta, Georgia 30303.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13. 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.gacities.com](http://www.gacities.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, 2022, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	140
Inactive plan members entitled to but not receiving benefits	143
Active plan members	234
Total plan membership	517

*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, 2022, the City’s recommended contribution rate was 11.52% of annual payroll; actual contributions came to 12.23%.

City contributions to the Plan were \$1,481,581 for the year ended June 30, 2022.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Net Pension Liability of the City**

The City's net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

*Actuarial assumptions.* The total pension liability in the January 1, 2022 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, 2022 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, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019 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, 2021 are summarized below.

<b>Asset class</b>	<b>Target allocation</b>	<b>Long-term expected real rate of return*</b>
Domestic equity	45%	6.55%
International equity	20%	7.30
Domestic fixed income	20%	0.40
Global fixed income	5%	0.50
Real estate	10%	3.65
Cash	—%	
Total	100%	

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

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13. 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%, the same rate 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, 2022 were as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at 6/30/21</b>	<u>\$43,886,690</u>	<u>\$36,789,868</u>	<u>\$ 7,096,822</u>
<b>Changes for the year:</b>			
Service cost	631,053	-	631,053
Interest	3,212,868	-	3,212,868
Differences between expected and actual experience	159,440	-	159,440
Contributions—employer	-	1,218,168	(1,218,168)
Net investment income	-	8,894,354	(8,894,354)
Benefit payments, including refunds of employee contributions	(1,906,852)	(1,906,852)	-
Administrative expense	-	(66,470)	66,470
Changes in actuarial assumptions	-	-	-
<b>Net changes</b>	<u>2,096,509</u>	<u>8,139,200</u>	<u>(6,042,691)</u>
<b>Balances at 6/30/22</b>	<u>\$45,983,199</u>	<u>\$44,929,068</u>	<u>\$ 1,054,131</u>

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, 2022**

**NOTE 13. 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%)	Discount Rate (7.375%)	Current 1% Increase (8.375%)
City's net pension liability (asset)	\$ 7,132,888	\$ 1,054,131	\$ (3,984,291)

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

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

For the year ended June 30, 2022, the City recognized pension expense of \$740,429. At June 30, 2022, 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	\$ 1,375,486	\$ -
Differences resulting from changes in actuarial assumptions	419,113	-
Net difference between projected and actual earnings on pension plan investments	-	4,968,758
City contributions subsequent to the measurement date	908,354	-
Total	\$ 2,702,953	\$ 4,968,758



**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 13. 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 \$908,354 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. 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	
2023	\$ 2,088
2024	(578,481)
2025	(1,355,977)
2026	(1,241,789)
Total	<u>\$ (3,174,159)</u>

**NOTE 14. 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 workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

**NOTE 15. COMMITMENTS AND CONTINGENCIES**

**A. Litigation**

The City is party to various legal proceedings and claims that arise in the ordinary course of operation. Among these as of June 30, 2022 are seven matters in which the City's legal counsel believes there is a possible likelihood of an unfavorable outcome with an estimated loss of approximately \$175,000, consisting of the City's per claim liability insurance deductible.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 15. COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**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, 2022, the balance of those contracts representing commitments made by the City for work not yet completed is \$10,288,735.

**NOTE 16. 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, 2022, the City expended for promotional purposes approximately 98% of such taxes collected.

The following is a summary of the collections and expenditures for the year ended June 30, 2022:

Total Collected	\$2,398,969
Amount Expended for Promotional Purposes	\$2,340,393

**NOTE 17. 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, 2022:

Total Collected	\$255,143
Amount Expended for Recreational Facilities	200,433

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 18. 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. Although the City established an irrevocable OPEB trust, which meets the criteria in paragraph 4 of GASB Statement No. 75, during the 2020 measurement period, they have not elected to continue funding the OPEB Plan any further. Instead, the City plans on maintaining the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise. 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](http://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, 2021, the date of the most recent actuarial valuation, OPEB plan membership consisted of the following:

Retirees and spouses currently receiving benefits	80
Active employees	252
Total plan membership	332

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City Contributions**

Although the City established an irrevocable OPEB trust during the 2020 measurement period, they have not elected to continue funding the OPEB Plan any further. Instead, the City plans on maintaining the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise. 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, 2022, the City contributed \$417,023 for the pay as you go benefits of the OPEB plan.

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, 2022, the City contributed \$417,023 for the pay as you go benefits of the OPEB plan.

**Net OPEB Liability of the City**

The City’s net OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of January 1, 2021 with the actuary using standard techniques to roll forward the liability to the measurement date.

*Actuarial assumptions:* The net OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	2.16%
Healthcare Cost Trend Rate:	7.50% - 4.50%, Ultimate Trend in 2032 (Medical and drug) 5.00% - 4.50%, Ultimate Trend in 2022 (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 Healthy Retiree Mortality Table with rates multiplied by 1.25.

The Pri-2012 head count weighted Healthy 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.

**Discount rate.** The discount rate used to measure the net OPEB liability was 2.16%, a decrease from the prior year of 2.21%. 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 2.21% as determined by the Bond Buyer 20-Bond GO Index Rate published closest to, but no later than, the measurement date of June 30, 2021.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Changes in the Net OPEB Liability of the City.** The changes in the net OPEB liability of the City for the year ended June 30, 2022, were as follows:

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
<b>Balances at 6/30/21</b>	\$ 32,198,208	\$ 478,889	\$ 31,719,319
<b>Changes for the year:</b>			
Service cost	976,658	-	976,658
Interest	728,917	-	728,917
Employer contributions	-	386,471	(386,471)
Differences between expected and actual experience	(252,287)	-	(252,287)
Assumption changes	(1,214,155)	-	(1,214,155)
Net investment income	-	155,097	(155,097)
Benefit payments	(386,471)	(386,471)	-
Administrative costs	-	(340)	340
<b>Net changes</b>	<u>(147,338)</u>	<u>154,757</u>	<u>(302,095)</u>
<b>Balances at 6/30/22</b>	<u>\$ 32,050,870</u>	<u>\$ 633,646</u>	<u>\$ 31,417,224</u>

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

**Sensitivity of the net OPEB liability to changes in the discount rate.** The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1 percentage-point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Net OPEB liability	\$37,115,808	\$31,417,224	\$26,854,606

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.** The following presents the net OPEB liability of the City, as well as what the City's net 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	\$26,470,499	\$31,417,224	\$37,774,993

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, 2022 and the current sharing pattern of costs between employer and inactive employees.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 18. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$1,586,847. At June 30, 2022, 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	\$ 417,023	\$ -
Differences between expected and actual experience	-	2,522,537
Differences between projected and actual earnings on pension plan investments	-	83,118
Changes in assumptions	5,916,852	2,275,025
Total	\$ 6,333,875	\$ 4,880,680

City contributions subsequent to the measurement date of \$417,023 will reduce the net 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:	
2023	\$ (83,761)
2024	(83,761)
2025	353,559
2026	527,378
2027	322,757
Total	\$ 1,036,172

**NOTE 19. 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, 2022, the City abated property tax revenues totaling \$180,774 under its economic development program, including the following tax abatement agreement that exceeded 10% of the total amount abated:

- A 30% abatement on real property taxes, a 50% abatement on personal property taxes and a second 90% abatement on personal property taxes to a medical products manufacturing company amounting to \$122,059, and a 40% abatement on real property taxes and a 40% abatement on personal property taxes totaling \$38,631 to a wholesale food distributor. In exchange for the tax incentives, the company has committed to creating new full-time jobs.

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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**NOTE 19. TAX ABATEMENTS (CONTINUED)**

For the above agreement, the mechanism by which the taxes are being abated is a reduction of assessed value. Furthermore, if the company fails 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**

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**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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 26,774,231	\$ 29,787,540	\$ 29,634,469	\$ (153,071)
Licenses and permits	3,371,733	5,039,675	5,042,535	2,860
Intergovernmental revenues	20,000	20,000	20,000	-
Fines and forfeitures	1,295,002	1,429,544	1,890,885	461,341
Charges for services	1,540,443	1,892,386	1,834,576	(57,810)
Interest income	42,000	56,878	67,331	10,453
Net decrease in fair value of investments	-	-	(77,444)	(77,444)
Contributions	6,500	10,522	4,850	(5,672)
Miscellaneous	252,736	363,684	394,629	30,945
Total revenues	<u>33,302,645</u>	<u>38,600,229</u>	<u>38,811,831</u>	<u>211,602</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Mayor and Council				
Personal services	214,640	214,640	193,031	21,609
Other operating expenditures	155,776	163,820	125,263	38,557
Total Mayor and Council	<u>370,416</u>	<u>378,460</u>	<u>318,294</u>	<u>60,166</u>
Clerk of Council				
Personal services	165,446	181,963	177,192	4,771
Other operating expenditures	106,673	106,673	91,561	15,112
Total Clerk of Council	<u>272,119</u>	<u>288,636</u>	<u>268,753</u>	<u>19,883</u>
City Manager				
Personal services	595,853	660,600	652,406	8,194
Other operating expenditures	68,004	72,571	71,158	1,413
Total City Manager	<u>663,857</u>	<u>733,171</u>	<u>723,564</u>	<u>9,607</u>
Financial administration				
Personal services	655,960	750,119	749,685	434
Other operating expenditures	229,393	252,196	242,308	9,888
Total Financial administration	<u>885,353</u>	<u>1,002,315</u>	<u>991,993</u>	<u>10,322</u>
Legal				
Personal services	153,268	133,264	116,800	16,464
Other operating expenditures	178,273	288,885	200,901	87,984
Total Legal	<u>331,541</u>	<u>422,149</u>	<u>317,701</u>	<u>104,448</u>
Information services				
Personal services	199,182	210,681	187,271	23,410
Other operating expenditures	986,614	1,035,429	799,105	236,324
Capital outlay	29,000	118,052	69,180	48,872
Total Information services	<u>1,214,796</u>	<u>1,364,162</u>	<u>1,055,556</u>	<u>308,606</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Human resources				
Personal services	\$ 507,026	\$ 459,646	\$ 441,581	\$ 18,065
Other operating expenditures	556,624	662,853	649,953	12,900
Total Human resources	<u>1,063,650</u>	<u>1,122,499</u>	<u>1,091,534</u>	<u>30,965</u>
Building and grounds				
Personal services	483,780	473,215	439,493	33,722
Other operating expenditures	374,730	385,731	302,744	82,987
Capital outlay	225,000	208,000	-	208,000
Total Building and grounds	<u>1,083,510</u>	<u>1,066,946</u>	<u>742,237</u>	<u>324,709</u>
Communications				
Personal services	575,210	566,209	554,809	11,400
Other operating expenditures	172,826	363,919	185,107	178,812
Total Communications	<u>748,036</u>	<u>930,128</u>	<u>739,916</u>	<u>190,212</u>
Engineering				
Personal services	92,369	312,590	299,339	13,251
Other operating expenditures	56,530	69,029	40,013	29,016
Capital outlay	35,000	67,417	-	67,417
Total Engineering	<u>183,899</u>	<u>449,036</u>	<u>339,352</u>	<u>109,684</u>
General administration				
Personal services	1,359,272	840,662	667,113	173,549
Other operating expenditures	3,077,959	3,208,827	3,032,531	176,296
Total General administration	<u>4,437,231</u>	<u>4,049,489</u>	<u>3,699,644</u>	<u>349,845</u>
<b>Total General Government</b>	<u>11,254,408</u>	<u>11,806,991</u>	<u>10,288,544</u>	<u>1,518,447</u>
<b>Judicial:</b>				
Municipal court				
Personal services	590,428	627,816	605,600	22,216
Other operating expenditures	302,132	302,407	856,159	(553,752)
Capital Outlay	3,830	3,830	1,970	1,860
Total Municipal court	<u>896,390</u>	<u>934,053</u>	<u>1,463,729</u>	<u>(529,676)</u>
Total Judicial	<u>896,390</u>	<u>934,053</u>	<u>1,463,729</u>	<u>(529,676)</u>
<b>Public Safety:</b>				
Police				
Personal services	9,910,468	9,967,607	9,930,554	37,053
Other operating expenditures	3,112,655	3,276,221	3,162,914	113,307
Capital outlay	1,157,500	1,654,085	2,259,910	(605,825)
Total Police	<u>14,180,623</u>	<u>14,897,913</u>	<u>15,353,378</u>	<u>(455,465)</u>
Total Public Safety	<u>14,180,623</u>	<u>14,897,913</u>	<u>15,353,378</u>	<u>(455,465)</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Public Works:</b>				
Street Maintenance				
Personal services	\$ 1,094,624	\$ 992,329	\$ 969,939	\$ 22,390
Other operating expenditures	1,146,008	1,133,475	980,979	152,496
Capital outlay	40,000	282,123	-	282,123
Total Street Maintenance	<u>2,280,632</u>	<u>2,407,927</u>	<u>1,950,918</u>	<u>457,009</u>
Garage				
Personal services	144,585	156,933	150,681	6,252
Other operating expenditures	64,570	64,570	54,513	10,057
Capital outlay	36,000	36,000	35,341	659
Total Garage	<u>245,155</u>	<u>257,503</u>	<u>240,535</u>	<u>16,968</u>
Total Public Works	<u>2,525,787</u>	<u>2,665,430</u>	<u>2,191,453</u>	<u>473,977</u>
<b>Culture and Recreation:</b>				
Parks Administration				
Personal services	790,730	713,078	657,921	55,157
Other operating expenditures	325,219	309,769	283,652	26,117
Total Parks Administration	<u>1,115,949</u>	<u>1,022,847</u>	<u>941,573</u>	<u>81,274</u>
Parks Maintenance				
Personal services	495,042	459,230	432,156	27,074
Other operating expenditures	668,956	725,375	719,114	6,261
Capital outlay	-	5,776	5,776	-
Total Parks Maintenance	<u>1,163,998</u>	<u>1,190,381</u>	<u>1,157,046</u>	<u>33,335</u>
Jessie Davis Park				
Personal services	327,349	374,947	322,158	52,789
Other operating expenditures	94,814	164,997	158,714	6,283
Total Jessie Davis Park	<u>422,163</u>	<u>539,944</u>	<u>480,872</u>	<u>59,072</u>
West Pines Golf Course				
Personal services	734,787	961,649	931,209	30,440
Other operating expenditures	355,285	497,458	382,753	114,705
Capital outlay	-	-	279,406	(279,406)
Total West Pines Golf Course	<u>1,090,072</u>	<u>1,459,107</u>	<u>1,593,368</u>	<u>(134,261)</u>
Town Green				
Other operating expenditures	20,000	20,000	3,275	16,725
Capital outlay	-	700,000	-	700,000
Total Town Green	<u>20,000</u>	<u>720,000</u>	<u>3,275</u>	<u>716,725</u>
Total Culture and Recreation	<u>3,812,182</u>	<u>4,932,279</u>	<u>4,176,134</u>	<u>756,145</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Housing and Development:</b>				
Inspections				
Personal services	\$ 422,844	\$ 466,450	\$ 377,425	\$ 89,025
Other operating expenditures	51,038	57,895	41,107	16,788
Capital outlay	-	77,500	9,904	67,596
Total Inspections	<u>473,882</u>	<u>601,845</u>	<u>428,436</u>	<u>173,409</u>
Planning and Zoning				
Personal services	257,272	234,551	201,653	32,898
Other operating expenditures	238,478	576,003	221,266	354,737
Total Planning and Zoning	<u>495,750</u>	<u>810,554</u>	<u>422,919</u>	<u>387,635</u>
Code Enforcement				
Personal services	285,492	290,543	287,925	2,618
Other operating expenditures	18,057	39,057	34,607	4,450
Total Code Enforcement	<u>303,549</u>	<u>329,600</u>	<u>322,532</u>	<u>7,068</u>
Community Development				
Personal services	272,210	274,263	250,024	24,239
Other operating expenditures	112,408	112,530	71,496	41,034
Total Community Development	<u>384,618</u>	<u>386,793</u>	<u>321,520</u>	<u>65,273</u>
Total Housing and Development	<u>1,657,799</u>	<u>2,128,792</u>	<u>1,495,407</u>	<u>633,385</u>
<b>Debt Service:</b>				
Principal	267,784	267,784	412,980	(145,196)
Interest	130,564	130,564	120,052	10,512
Total debt service	<u>398,348</u>	<u>398,348</u>	<u>533,032</u>	<u>(134,684)</u>
Total expenditures	<u>34,725,537</u>	<u>37,763,806</u>	<u>35,501,677</u>	<u>2,262,129</u>
Excess (deficiency) of revenues over expenditures	<u>(1,422,892)</u>	<u>836,423</u>	<u>3,310,154</u>	<u>2,473,731</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	25,000	78,225	43,409	(34,816)
Proceeds from the issuance of long term debt	-	-	1,418,880	1,418,880
Transfers in	105,737	105,737	105,737	-
Transfers out	(207,861)	(523,482)	(212,675)	310,807
Total other financing sources (uses)	<u>(77,124)</u>	<u>(339,520)</u>	<u>1,355,351</u>	<u>1,694,871</u>
Net change in fund balance	(1,500,016)	496,903	4,665,505	4,168,602
Fund balances, beginning of year	<u>24,498,623</u>	<u>24,498,623</u>	<u>24,498,623</u>	<u>-</u>
Fund balances, end of year	<u>\$ 22,998,607</u>	<u>\$ 24,995,526</u>	<u>\$ 29,164,128</u>	<u>\$ 4,168,602</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**AMERICAN RESCUE PLAN FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ -	\$ 6,346,924	\$ 352,220	\$ (5,994,704)
Investment income	-	-	7,811	7,811
Total revenues	-	6,346,924	360,031	(5,986,893)
<b>Expenditures:</b>				
<b>Current:</b>				
General Government:				
Financial administration	-	-	267	(267)
Human resources	-	-	2,882	(2,882)
General administration	-	-	143,160	(143,160)
Judicial	-	-	109	(109)
Public Safety	-	-	11,539	(11,539)
Housing and Development	-	-	10,344	(10,344)
Capital outlay	-	-	183,919	(183,919)
Total expenditures	-	-	352,220	(352,220)
Net change in fund balance	-	6,346,924	7,811	(5,634,673)
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	\$ -	\$ 6,346,924	\$ 7,811	\$ (5,634,673)

**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**

	2022	2021	2020	2019
<b>Total pension liability</b>				
Service cost	\$ 631,053	\$ 586,291	\$ 517,922	\$ 539,128
Interest on total pension liability	3,212,868	2,943,831	2,655,705	2,571,950
Differences between expected and actual experience	159,440	1,880,573	1,262,479	(429,512)
Changes of assumptions	-	-	1,676,451	-
Benefit payments, including refunds of employee contributions	(1,906,852)	(1,708,144)	(1,639,780)	(1,447,495)
<b>Net change in total pension liability</b>	<b>2,096,509</b>	<b>3,702,551</b>	<b>4,472,777</b>	<b>1,234,071</b>
<b>Total pension liability - beginning</b>	<b>43,886,690</b>	<b>40,184,139</b>	<b>35,711,362</b>	<b>34,477,291</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 45,983,199</b>	<b>\$ 43,886,690</b>	<b>\$ 40,184,139</b>	<b>\$ 35,711,362</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 1,218,168	\$ 930,992	\$ 923,923	\$ 875,663
Net investment income	8,894,354	3,273,060	994,449	3,120,799
Benefit payments, including refunds of member contributions	(1,906,852)	(1,708,144)	(1,639,780)	(1,447,495)
Administrative expenses	(66,470)	(62,493)	(59,205)	(61,715)
<b>Net change in plan fiduciary net position</b>	<b>8,139,200</b>	<b>2,433,415</b>	<b>219,387</b>	<b>2,487,252</b>
<b>Plan fiduciary net position - beginning</b>	<b>36,789,868</b>	<b>34,356,453</b>	<b>34,137,066</b>	<b>31,649,814</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 44,929,068</b>	<b>\$ 36,789,868</b>	<b>\$ 34,356,453</b>	<b>\$ 34,137,066</b>
<b>City's net pension liability - ending (a) - (b)</b>	<b>\$ 1,054,131</b>	<b>\$ 7,096,822</b>	<b>\$ 5,827,686</b>	<b>\$ 1,574,296</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>97.71%</b>	<b>83.83%</b>	<b>85.50%</b>	<b>95.59%</b>
<b>Covered payroll</b>	<b>\$ 12,570,123</b>	<b>\$ 12,034,313</b>	<b>\$ 11,048,927</b>	<b>\$ 10,646,935</b>
<b>City's net pension liability as a percentage of covered payroll</b>	<b>8.39%</b>	<b>58.97%</b>	<b>52.74%</b>	<b>14.79%</b>
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Total pension liability</b>				
Service cost	\$ 525,247	\$ 533,286	\$ 497,420	\$ 550,294
Interest on total pension liability	2,481,442	2,270,884	2,139,272	2,094,469
Differences between expected and actual experience	774,375	991,040	(167,287)	(669,619)
Changes of assumptions	(634,870)	-	-	(332,866)
Changes of benefit terms	-	274,636	439,139	2,683
Benefit payments, including refunds of employee contributions	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
<b>Net change in total pension liability</b>	<b>1,771,170</b>	<b>2,738,943</b>	<b>1,818,791</b>	<b>600,990</b>
<b>Total pension liability - beginning</b>	<b>32,706,121</b>	<b>29,967,178</b>	<b>28,148,387</b>	<b>27,547,397</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 34,477,291</b>	<b>\$ 32,706,121</b>	<b>\$ 29,967,178</b>	<b>\$ 28,148,387</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 817,751	\$ 744,784	\$ 756,309	\$ 851,364
Contributions - employee	-	45,462	34,663	-
Net investment income	4,188,234	2,859,566	303,266	2,668,243
Benefit payments, including refunds of member contributions	(1,375,024)	(1,330,903)	(1,089,753)	(1,043,971)
Administrative expenses	(65,126)	(38,372)	(42,494)	(33,695)
<b>Net change in plan fiduciary net position</b>	<b>3,565,835</b>	<b>2,280,537</b>	<b>(38,009)</b>	<b>2,441,941</b>
<b>Plan fiduciary net position - beginning</b>	<b>28,083,979</b>	<b>25,803,442</b>	<b>25,841,451</b>	<b>23,399,510</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 31,649,814</b>	<b>\$ 28,083,979</b>	<b>\$ 25,803,442</b>	<b>\$ 25,841,451</b>
<b>City's net pension liability - ending (a) - (b)</b>	<b>\$ 2,827,477</b>	<b>\$ 4,622,142</b>	<b>\$ 4,163,736</b>	<b>\$ 2,306,936</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>91.80%</b>	<b>85.87%</b>	<b>86.11%</b>	<b>91.80%</b>
<b>Covered payroll</b>	<b>\$ 9,952,049</b>	<b>\$ 9,680,685</b>	<b>\$ 8,950,694</b>	<b>\$ 8,713,629</b>
<b>City's net pension liability as a percentage of covered payroll</b>	<b>28.41%</b>	<b>47.75%</b>	<b>46.52%</b>	<b>26.48%</b>

**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**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 1,395,743	\$ 1,216,993	\$ 873,792	\$ 933,949
Contributions in relation to the actuarially determined contribution	1,481,581	1,015,336	878,805	1,089,607
Contribution deficiency (excess)	<u>\$ (85,838)</u>	<u>\$ 201,657</u>	<u>\$ (5,013)</u>	<u>\$ (155,658)</u>
Covered payroll	\$ 12,115,825	\$ 12,721,556	\$ 11,805,232	\$ 10,796,825
Contributions as a percentage of covered payroll	12.23%	7.98%	7.44%	10.09%

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 864,006	\$ 807,180	\$ 732,305	\$ 761,110
Contributions in relation to the actuarially determined contribution	865,105	868,206	735,755	763,749
Contribution deficiency (excess)	<u>\$ (1,099)</u>	<u>\$ (61,026)</u>	<u>\$ (3,450)</u>	<u>\$ (2,639)</u>
Covered payroll	\$ 10,596,972	\$ 9,737,074	\$ 9,661,889	\$ 8,713,629
Contributions as a percentage of covered payroll	8.16%	8.92%	7.62%	8.76%

**Notes to the Schedule:**

(1) Actuarial Assumptions:

Valuation Date	January 1, 2022
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	Varies for the bases, with a net effective amortization period of 17 years

(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 NET OPEB LIABILITY**  
**AND RELATED RATIOS**  
**CITY OF DOUGLASVILLE OPEB PLAN**

	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ 976,658	\$ 732,995	\$ 1,066,754	\$ 1,084,483	\$ 1,279,279
Interest on total OPEB liability	728,917	955,122	952,400	869,290	736,593
Differences between expected and actual experience	(252,287)	(1,633,848)	(1,634,425)	(195,291)	(216,594)
Changes of assumptions	(1,214,155)	5,696,015	3,234,478	(1,051,103)	(2,844,647)
Changes in benefit terms	-	135,528	(168,685)	-	-
Benefit payments	(386,471)	(483,475)	(395,430)	(327,943)	(318,771)
<b>Net change in total OPEB liability</b>	<b>(147,338)</b>	<b>5,402,337</b>	<b>3,055,092</b>	<b>379,436</b>	<b>(1,364,140)</b>
<b>Total OPEB liability - beginning</b>	<b>32,198,208</b>	<b>26,795,871</b>	<b>23,740,779</b>	<b>23,361,343</b>	<b>24,725,483</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 32,050,870</b>	<b>\$ 32,198,208</b>	<b>\$ 26,795,871</b>	<b>\$ 23,740,779</b>	<b>\$ 23,361,343</b>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 386,471	\$ 876,505	\$ 395,430	\$ 327,943	\$ 318,771
Net investment income	155,097	(3,405)	-	-	-
Benefit payments, including refunds of member contributions	(386,471)	(393,030)	(395,430)	(327,943)	(318,771)
Administrative expenses	(340)	(1,181)	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>154,757</b>	<b>478,889</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - beginning</b>	<b>478,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 633,646</b>	<b>\$ 478,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>City's net OPEB liability - ending (a) - (b)</b>	<b>\$ 31,417,224</b>	<b>\$ 31,719,319</b>	<b>\$ 26,795,871</b>	<b>\$ 23,740,779</b>	<b>\$ 23,361,343</b>
<b>Covered-employee payroll</b>	<b>\$ 13,007,791</b>	<b>\$ 12,721,556</b>	<b>\$ 11,805,232</b>	<b>\$ 10,080,226</b>	<b>\$ 10,080,226</b>
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	<b>241.53%</b>	<b>249.34%</b>	<b>226.98%</b>	<b>235.52%</b>	<b>231.75%</b>

**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 CONTRIBUTIONS  
CITY OF DOUGLASVILLE OPEB PLAN  
FOR THE FISCAL YEAR ENDED JUNE 30,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 417,023	\$ 386,471	\$ 393,030	\$ 395,430	\$ 327,943
Contributions in relation to the contractually required contributions	<u>417,023</u>	<u>386,471</u>	<u>876,505</u>	<u>395,430</u>	<u>327,943</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (483,475)</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 13,007,791	\$ 12,721,556	\$ 11,805,232	\$ 10,080,226	\$ 10,080,226
Contributions as a percentage of covered-employee payroll	3.21%	3.04%	7.42%	3.92%	3.25%

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

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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# NONMAJOR GOVERNMENTAL FUNDS

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## 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.

**Tax Allocation District Fund** – This fund is used to account for property taxes collected on property value increases resulting from the public improvements and private investments taking place within the Douglasville Tax Allocation District authorized by referendum in 2019, and to account for the expenditure of those taxes to pay off any debt incurred by the City to fund those public improvements.

**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.

## Debt Service Fund

**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, 2022**

ASSETS	Special Revenue Funds						Debt Service Fund	Total Nonmajor Governmental Funds
	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation	Tax Allocation District	Confiscated Assets		
Cash and cash equivalents	\$ 583,083	\$ 3,171,467	\$ 239,941	\$ 146,652	\$ 681,150	\$ 710,966	\$ 535,606	\$ 6,068,865
Investments	-	-	-	-	-	1,060,943	-	1,060,943
Receivables, net:								
Taxes receivable	-	230,429	25,458	-	1,272	-	7,097	264,256
Lease receivable	-	-	-	1,493,057	-	-	-	1,493,057
Other receivables	123	381	38	-	97	10,241	92	10,972
Due from other governments	74,997	-	-	-	-	-	5,692	80,689
Prepaid items	-	66,949	-	-	-	-	-	66,949
<b>Total assets</b>	<b>\$ 658,203</b>	<b>\$ 3,469,226</b>	<b>\$ 265,437</b>	<b>\$ 1,639,709</b>	<b>\$ 682,519</b>	<b>\$ 1,782,150</b>	<b>\$ 548,487</b>	<b>\$ 9,045,731</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts payable	\$ 59,008	\$ 47,925	\$ -	\$ 1,064	\$ -	\$ 6,624	\$ -	\$ 114,621
Accrued liabilities	-	15,480	-	-	-	-	-	15,480
Due to other funds	-	-	-	29,537	-	-	-	29,537
<b>Total liabilities</b>	<b>59,008</b>	<b>63,405</b>	<b>-</b>	<b>30,601</b>	<b>-</b>	<b>6,624</b>	<b>-</b>	<b>159,638</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Deferred lease revenue	-	-	-	1,462,323	-	-	-	1,462,323
Unavailable revenue - property tax	-	-	-	-	92	-	1,121	1,213
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,462,323</b>	<b>92</b>	<b>-</b>	<b>1,121</b>	<b>1,463,536</b>
<b>FUND BALANCES</b>								
Nonspendable:								
Prepaid items	-	66,949	-	-	-	-	-	66,949
Long term lease receivable	-	-	-	51,850	-	-	-	51,850
Restricted for:								
Economic development	-	-	-	-	682,427	-	-	682,427
Promotion of tourism	-	3,338,872	265,437	-	-	-	-	3,604,309
Capital projects	599,195	-	-	-	-	1,775,526	-	2,374,721
Debt service	-	-	-	94,935	-	-	547,366	642,301
<b>Total fund balances</b>	<b>599,195</b>	<b>3,405,821</b>	<b>265,437</b>	<b>146,785</b>	<b>682,427</b>	<b>1,775,526</b>	<b>547,366</b>	<b>7,422,557</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 658,203</b>	<b>\$ 3,469,226</b>	<b>\$ 265,437</b>	<b>\$ 1,639,709</b>	<b>\$ 682,519</b>	<b>\$ 1,782,150</b>	<b>\$ 548,487</b>	<b>\$ 9,045,731</b>

**CITY OF DOUGLASVILLE, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds						Debt Service Fund	Total Nonmajor Governmental Funds
	Multiple Grant	Hotel/Motel Tax	Rental Car Excise Tax	Public Purpose Corporation	Tax Allocation District	Confiscated Assets		
<b>Revenues:</b>								
Taxes	\$ -	\$ 2,398,969	\$ 255,143	\$ -	\$ 353,229	\$ -	\$ 1,540,349	\$ 4,547,690
Charges for services	-	278,069	-	-	-	-	-	278,069
Intergovernmental	1,306,659	-	-	494,260	-	-	-	1,800,919
Fines and forfeitures	-	-	-	-	-	28,845	-	28,845
Investment income	1,025	4,056	285	79,985	1,487	9,476	811	97,125
Miscellaneous	-	308,437	-	-	-	-	-	308,437
Total revenues	<u>1,307,684</u>	<u>2,989,531</u>	<u>255,428</u>	<u>574,245</u>	<u>354,716</u>	<u>38,321</u>	<u>1,541,160</u>	<u>7,061,085</u>
<b>Expenditures:</b>								
Current:								
General government	-	-	-	8,087	-	-	-	8,087
Public safety	131,946	-	-	-	-	67,159	-	199,105
Public works	677,047	-	-	-	-	-	-	677,047
Culture and recreation	14,806	1,385,580	-	-	-	-	-	1,400,386
Housing and development	1,104,695	-	-	-	-	-	-	1,104,695
Debt service:								
Principal retirement	-	580,000	-	420,442	-	-	1,240,000	2,240,442
Interest and fiscal charges	-	374,813	-	91,133	-	-	388,300	854,246
Total expenditures	<u>1,928,494</u>	<u>2,340,393</u>	<u>-</u>	<u>519,662</u>	<u>-</u>	<u>67,159</u>	<u>1,628,300</u>	<u>6,484,008</u>
Excess (deficiency) of revenues over expenditures	(620,810)	649,138	255,428	54,583	354,716	(28,838)	(87,140)	577,077
<b>Other financing sources (uses):</b>								
Transfers in	4,814	408,294	-	-	-	-	-	413,108
Transfers out	-	-	(200,433)	-	-	-	-	(200,433)
Proceeds from sale of capital assets	-	-	-	-	-	11,937	-	11,937
Total other financing sources (uses)	<u>4,814</u>	<u>408,294</u>	<u>(200,433)</u>	<u>-</u>	<u>-</u>	<u>11,937</u>	<u>-</u>	<u>224,612</u>
Net change in fund balances	(615,996)	1,057,432	54,995	54,583	354,716	(16,901)	(87,140)	801,689
<b>Fund balances, beginning of year</b>	<u>1,215,191</u>	<u>2,348,389</u>	<u>210,442</u>	<u>92,202</u>	<u>327,711</u>	<u>1,792,427</u>	<u>634,506</u>	<u>6,620,868</u>
<b>Fund balances, end of year</b>	<u>\$ 599,195</u>	<u>\$ 3,405,821</u>	<u>\$ 265,437</u>	<u>\$ 146,785</u>	<u>\$ 682,427</u>	<u>\$ 1,775,526</u>	<u>\$ 547,366</u>	<u>\$ 7,422,557</u>

**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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 332,621	\$ 2,058,698	\$ 1,306,659	\$ (752,039)
Investment income	-	-	1,025	1,025
Total revenues	<u>332,621</u>	<u>2,058,698</u>	<u>1,307,684</u>	<u>(752,039)</u>
<b>Expenditures:</b>				
Current:				
Public safety	48,242	158,574	131,946	26,628
Public works	977,047	1,026,615	677,047	349,568
Culture and recreation	-	53,000	14,806	38,194
Housing and development	-	1,948,153	1,104,695	843,458
Total expenditures	<u>1,025,289</u>	<u>3,186,342</u>	<u>1,928,494</u>	<u>1,257,848</u>
Excess (deficiency) of revenues over expenditures	(692,668)	(1,127,644)	(620,810)	506,834
<b>Other financing sources:</b>				
Issuance of long term debt	677,047	1,005,694	-	(1,005,694)
Transfers in	15,621	121,950	4,814	(117,136)
Total other financing sources	<u>692,668</u>	<u>1,127,644</u>	<u>4,814</u>	<u>(1,122,830)</u>
Net changes in fund balance	-	-	(615,996)	(615,996)
<b>Fund balances, beginning of year</b>	<u>1,215,191</u>	<u>1,215,191</u>	<u>1,215,191</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 1,215,191</u>	<u>\$ 1,215,191</u>	<u>\$ 599,195</u>	<u>\$ (615,996)</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, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes	\$ 1,554,458	\$ 2,064,458	\$ 2,398,969	\$ 334,511
Charges for services	200,500	241,650	278,069	36,419
Investment income	6,000	6,000	4,056	(1,944)
Miscellaneous	267,450	274,130	308,437	34,307
Total revenues	<u>2,028,408</u>	<u>2,586,238</u>	<u>2,989,531</u>	<u>403,293</u>
<b>Expenditures</b>				
Current:				
Culture and recreation	1,485,834	2,038,664	1,385,580	653,084
Debt service:				
Principal retirement	555,000	580,000	580,000	-
Interest and fiscal charges	394,813	374,813	374,813	-
Total expenditures	<u>2,435,647</u>	<u>2,993,477</u>	<u>2,340,393</u>	<u>653,084</u>
Excess (deficiency) of revenues over expenditures	(407,239)	(407,239)	649,138	1,056,377
<b>Other financing sources:</b>				
Transfers in	397,861	397,861	408,294	10,433
Total other financing sources	<u>397,861</u>	<u>397,861</u>	<u>408,294</u>	<u>10,433</u>
Net changes in fund balance	(9,378)	(9,378)	1,057,432	1,066,810
<b>Fund balances, beginning of year</b>	<u>2,348,389</u>	<u>2,348,389</u>	<u>2,348,389</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 2,339,011</u>	<u>\$ 2,339,011</u>	<u>\$ 3,405,821</u>	<u>\$ 1,066,810</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 200,063	\$ 200,063	\$ 255,143	\$ 55,080
Investment income	370	370	285	(85)
Total revenues	<u>200,433</u>	<u>200,433</u>	<u>255,428</u>	<u>54,995</u>
<b>Other financing uses:</b>				
Transfers out	(200,433)	(200,433)	(200,433)	-
Total other financing uses	<u>(200,433)</u>	<u>(200,433)</u>	<u>(200,433)</u>	<u>-</u>
Net changes in fund balance	-	-	54,995	54,995
<b>Fund balances, beginning of year</b>	<u>210,442</u>	<u>210,442</u>	<u>210,442</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 210,442</u></u>	<u><u>\$ 210,442</u></u>	<u><u>\$ 265,437</u></u>	<u><u>\$ 54,995</u></u>



**CITY OF DOUGLASVILLE, GEORGIA  
PUBLIC PURPOSE CORPORATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 543,321	\$ 543,321	\$ 494,260	\$ (49,061)
Investment income	1,350	1,350	79,985	78,635
Total revenues	<u>544,671</u>	<u>544,671</u>	<u>574,245</u>	<u>29,574</u>
<b>Expenditures:</b>				
Current:				
General government	25,000	25,000	8,087	16,913
Debt service:				
Principal retirement	408,405	408,405	420,442	(12,037)
Interest and fiscal charges	111,266	111,266	91,133	20,133
Total expenditures	<u>544,671</u>	<u>544,671</u>	<u>519,662</u>	<u>25,009</u>
Net changes in fund balance	-	-	54,583	54,583
<b>Fund balances, beginning of year</b>	<u>92,202</u>	<u>92,202</u>	<u>92,202</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 92,202</u>	<u>\$ 92,202</u>	<u>\$ 146,785</u>	<u>\$ 54,583</u>

**CITY OF DOUGLASVILLE, GEORGIA  
TAX ALLOCATION DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Tax Allocation District			
	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 165,507	\$ 165,507	\$ 353,229	\$ 187,722
Interest	305	305	1,487	1,182
Total revenues	<u>165,812</u>	<u>165,812</u>	<u>354,716</u>	<u>188,904</u>
Net changes in fund balance	165,812	165,812	354,716	188,904
<b>Fund balances, beginning of year</b>	<u>327,711</u>	<u>327,711</u>	<u>327,711</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 493,523</u></u>	<u><u>\$ 493,523</u></u>	<u><u>\$ 682,427</u></u>	<u><u>\$ 188,904</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ -	\$ 28,845	\$ 28,845
Investment income	15,300	15,300	9,476	(5,824)
Total revenues	<u>15,300</u>	<u>15,300</u>	<u>38,321</u>	<u>23,021</u>
<b>Expenditures:</b>				
Current:				
Public safety	310,000	310,000	67,159	242,841
Total expenditures	<u>310,000</u>	<u>310,000</u>	<u>67,159</u>	<u>242,841</u>
Deficiency of revenues over expenditures	(294,700)	(294,700)	(28,838)	265,862
<b>Other financing sources:</b>				
Proceeds from sale of capital assets	-	-	11,937	11,937
Total other financing sources	<u>-</u>	<u>-</u>	<u>11,937</u>	<u>11,937</u>
Net changes in fund balance	(294,700)	(294,700)	(16,901)	277,799
<b>Fund balances, beginning of year</b>	<u>1,792,427</u>	<u>1,792,427</u>	<u>1,792,427</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 1,497,727</u>	<u>\$ 1,497,727</u>	<u>\$ 1,775,526</u>	<u>\$ 277,799</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, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,624,400	\$ 1,624,400	\$ 1,540,349	\$ (84,051)
Investment income	5,000	5,000	811	(4,189)
Total revenues	<u>1,629,400</u>	<u>1,629,400</u>	<u>1,541,160</u>	<u>(88,240)</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	1,240,000	1,240,000	1,240,000	-
Interest and fiscal charges	389,400	389,400	388,300	1,100
Total expenditures	<u>1,629,400</u>	<u>1,629,400</u>	<u>1,628,300</u>	<u>1,100</u>
Net changes in fund balance	-	-	(87,140)	(87,140)
<b>Fund balances, beginning of year</b>	<u>634,506</u>	<u>634,506</u>	<u>634,506</u>	-
<b>Fund balances, end of year</b>	<u>\$ 634,506</u>	<u>\$ 634,506</u>	<u>\$ 547,366</u>	<u>\$ (87,140)</u>

**CITY OF DOUGLASVILLE, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF**  
**SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**2016 ISSUE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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<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	\$ 8,128,842	\$ 4,667,910	\$ 854,730	\$ 5,522,640	67.94 %
Transportation and Streets (45%)	16,876,800	17,780,019	11,364,322	1,333,341	12,697,663	71.42
Facility and Infrastructure Improvements (15%)	5,625,600	5,869,367	5,702,939	166,428	5,869,367	100.00
Parks and Recreation (20%)	7,500,800	8,420,617	4,689,196	2,875,910	7,565,106	89.84
Total 2016 Issue	<u>\$ 37,504,000</u>	<u>\$ 40,198,845</u>	<u>\$ 26,424,367</u>	<u>\$ 5,230,409</u>	<u>\$ 31,654,776</u>	

**CITY OF DOUGLASVILLE, GEORGIA  
 BALANCE SHEET  
 COMPONENT UNIT - DOUGLASVILLE DEVELOPMENT AUTHORITY  
 JUNE 30, 2022**

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**ASSETS**

Cash and cash equivalents	\$	527,003
Accounts receivable		87
Prepaid items		3,646
		3,646
Total assets	\$	530,736

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$	2,175
		2,175
Total liabilities		2,175

**FUND BALANCE**

Fund balances:		
Nonspendable:		
Prepaid items		3,646
Unassigned		524,915
		528,561
Total liabilities and fund balance	\$	530,736

**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, 2022**

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<b>Revenues</b>	
Charges for services	\$ 10,000
Intergovernmental	133,425
Interest income	678
Total revenues	144,103
 <b>Expenditures</b>	
Current:	
Housing and development	132,534
Total expenditures	132,534
Net change in fund balance	11,569
 <b>Fund balances, beginning of year</b>	516,992
 <b>Fund balances, end of year</b>	\$ 528,561

## **STATISTICAL SECTION**

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# STATISTICAL SECTION

## (Unaudited)

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

### Contents

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

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

#### **Demographic and Economic Information**

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

#### **Operating Information**

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

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities</b>										
Net Investment in capital assets	\$ 64,611,565	\$ 64,633,326	\$ 64,472,022	\$ 64,515,086	\$ 64,221,327	\$ 67,123,600	\$ 71,092,887	\$ 76,525,370	\$ 80,224,921	\$ 79,459,291
Restricted	3,896,412	3,214,142	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665	8,691,558	8,795,227
Unrestricted	(3,106,956)	(8,544,416)	(7,106,171)	(6,908,885)	(17,458,063)	(14,886,166)	(11,622,846)	(13,614,180)	(9,572,998)	(3,778,220)
Total governmental activities net position	\$ 65,401,021	\$ 59,303,052	\$ 60,588,890	\$ 61,024,979	\$ 50,421,307	\$ 58,763,278	\$ 68,153,027	\$ 71,459,855	\$ 79,343,481	\$ 84,476,298
<b>Business-type activities</b>										
Net Investment in capital assets	\$ 1,352,601	\$ 1,299,214	\$ 1,372,590	\$ 1,367,872	\$ 1,374,200	\$ 1,507,616	\$ 4,565,218	\$ 8,711,792	\$ 8,269,367	\$ 7,871,848
Unrestricted	2,826,979	2,954,370	3,374,718	3,978,860	4,206,517	4,349,246	3,169,371	1,605,736	2,446,450	3,822,855
Total business-type activities net position	\$ 4,179,580	\$ 4,253,584	\$ 4,747,308	\$ 5,346,732	\$ 5,580,717	\$ 5,856,862	\$ 7,734,589	\$ 10,317,528	\$ 10,715,817	\$ 11,694,703
<b>Primary government</b>										
Net Investment in capital assets	\$ 65,964,166	\$ 65,932,540	\$ 65,844,612	\$ 65,882,958	\$ 65,595,527	\$ 68,631,216	\$ 75,658,105	\$ 85,237,162	\$ 88,494,288	\$ 87,331,139
Restricted	3,896,412	3,214,142	3,223,039	3,418,778	3,658,043	6,525,844	8,682,986	8,548,665	8,691,558	8,795,227
Unrestricted	(279,977)	(5,590,046)	(3,731,453)	(2,930,025)	(13,251,546)	(10,536,920)	(8,453,475)	(12,008,444)	(7,126,548)	44,635
Total primary government net position	\$ 69,580,601	\$ 63,556,636	\$ 65,336,198	\$ 66,371,711	\$ 56,002,024	\$ 64,620,140	\$ 75,887,616	\$ 81,777,383	\$ 90,059,298	\$ 96,171,001

**Notes:**

Restatement to 2014's ending net position as a result of implementing GASB Statement No. 68.

Restatement to 2017's ending net position as a result of implementing GASB Statement No. 75.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental Activities:										
General government	\$ 5,733,608	\$ 4,809,968	\$ 6,069,013	\$ 7,020,218	\$ 9,747,658	\$ 8,842,137	\$ 12,155,560	\$ 12,381,071	\$ 9,134,244	\$ 11,165,321
Judicial	814,164	466,150	746,284	824,031	789,823	684,795	750,348	797,065	1,419,298	1,478,217
Public safety	11,920,070	11,527,647	10,823,733	11,761,412	11,249,398	12,130,090	12,532,675	14,957,786	14,615,873	16,924,705
Public works	2,736,609	3,132,100	2,686,734	2,682,503	2,409,663	3,646,251	6,953,668	8,270,801	3,244,703	4,862,531
Housing and development	929,920	1,236,085	2,050,572	1,996,326	1,372,370	1,485,874	1,979,936	1,874,376	547,631	2,945,872
Health and welfare	144,708	144,708	-	-	-	-	-	-	-	-
Culture and recreation	5,492,366	4,207,443	4,263,526	4,517,173	4,845,801	5,119,399	4,612,966	6,194,551	6,229,073	6,613,763
Interest on long-term debt	2,400,937	1,708,638	1,652,409	1,603,148	1,250,809	967,705	960,813	965,032	847,387	2,165,065
<b>Total governmental activities expenses</b>	<b>30,172,382</b>	<b>27,232,739</b>	<b>28,292,271</b>	<b>30,404,811</b>	<b>31,665,522</b>	<b>32,876,251</b>	<b>39,945,966</b>	<b>45,440,682</b>	<b>36,038,209</b>	<b>46,155,474</b>
Business-type activities:										
Sanitation	3,339,378	3,244,222	3,375,445	3,317,568	3,695,797	4,013,420	4,758,192	4,695,904	4,817,512	5,316,257
<b>Total business-type activities expenses</b>	<b>3,339,378</b>	<b>3,244,222</b>	<b>3,375,445</b>	<b>3,317,568</b>	<b>3,695,797</b>	<b>4,013,420</b>	<b>4,758,192</b>	<b>4,695,904</b>	<b>4,817,512</b>	<b>5,316,257</b>
<b>Total primary government expenses</b>	<b>\$ 33,511,760</b>	<b>\$ 30,501,560</b>	<b>\$ 31,667,716</b>	<b>\$ 33,722,379</b>	<b>\$ 35,361,319</b>	<b>\$ 36,889,671</b>	<b>\$ 44,704,158</b>	<b>\$ 50,136,586</b>	<b>\$ 40,855,721</b>	<b>\$ 51,471,731</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for service:										
General government	\$ 2,220,908	\$ 2,253,020	\$ 2,413,872	\$ 2,434,206	\$ 2,944,164	\$ 3,794,094	\$ 3,901,502	\$ 3,990,452	\$ 4,174,343	\$ 5,906,624
Housing and development	331,530	410,570	557,320	439,654	765,360	226,426	267,579	198,264	152,579	339,214
Judicial	1,439,864	1,116,850	2,216,583	1,274,224	1,570,466	1,877,717	1,873,705	1,159,756	1,657,485	1,906,279
Public safety	408,686	331,947	317,080	362,911	473,587	532,349	377,214	532,917	288,427	185,355
Public works	-	-	-	17,750	-	-	-	-	-	-
Culture and recreation	1,323,745	1,438,449	1,443,399	1,550,758	1,101,870	977,333	1,219,544	1,015,228	1,131,920	1,641,721
Operating grants and contributions	470,025	450,109	1,002,645	300,897	529,559	489,644	489,693	366,671	2,359,595	975,095
Capital grants and contributions	1,495,070	749,654	544,223	233,612	1,277,414	7,194,611	11,132,780	10,333,367	1,870,378	5,575,596
<b>Total governmental activities program revenues</b>	<b>7,689,828</b>	<b>6,750,599</b>	<b>8,495,122</b>	<b>6,614,012</b>	<b>8,662,420</b>	<b>15,092,174</b>	<b>19,262,017</b>	<b>17,596,655</b>	<b>11,634,727</b>	<b>16,529,884</b>
Business-type activities:										
Charges for services:										
Sanitation	3,628,855	3,689,973	3,911,692	3,999,390	4,023,039	4,560,797	4,603,302	4,683,009	5,347,378	6,312,906
Capital grants and contributions	-	-	-	-	-	-	3,351,119	4,271,118	-	-
<b>Total business-type activities program revenues</b>	<b>3,628,855</b>	<b>3,689,973</b>	<b>3,911,692</b>	<b>3,999,390</b>	<b>4,023,039</b>	<b>4,560,797</b>	<b>7,954,421</b>	<b>8,954,127</b>	<b>5,347,378</b>	<b>6,312,906</b>
<b>Total primary government program revenues</b>	<b>\$ 11,318,683</b>	<b>\$ 10,440,572</b>	<b>\$ 12,406,814</b>	<b>\$ 10,613,402</b>	<b>\$ 12,685,459</b>	<b>\$ 19,652,971</b>	<b>\$ 27,216,438</b>	<b>\$ 26,550,782</b>	<b>\$ 16,982,105</b>	<b>\$ 22,842,790</b>

**Note:** FY 2014 has been restated and the effect of implementing GASB Nos. 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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (22,482,554)	\$ (20,482,140)	\$ (19,797,149)	\$ (23,790,799)	\$ (23,003,102)	\$ (17,784,077)	\$ (20,683,949)	\$ (27,844,027)	\$ (24,403,482)	\$ (29,625,590)
Business-type activities	289,477	445,751	536,247	681,822	327,242	547,377	3,196,229	4,258,223	529,866	996,649
Total primary government net expense	<u>\$ (22,193,077)</u>	<u>\$ (20,036,389)</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>	<u>\$ (23,873,616)</u>	<u>\$ (28,628,941)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 5,780,387	\$ 6,041,140	\$ 7,943,693	\$ 9,922,506	\$ 10,300,396	\$ 11,026,570	\$ 12,612,306	\$ 13,125,830	\$ 14,485,665	\$ 15,190,285
Sales taxes	4,789,513	5,156,024	6,048,402	6,204,621	6,281,217	6,971,616	7,718,366	8,082,143	8,804,764	10,066,787
Other taxes and miscellaneous	6,274,184	6,313,992	6,948,787	7,897,884	7,348,719	7,645,137	7,920,208	7,847,344	8,388,279	9,188,831
Unrestricted investment earnings	32,437	27,055	27,105	30,854	44,327	153,883	368,044	320,383	227,672	206,767
Gain on sale of capital assets	-	-	-	71,023	-	25,107	27,630	-	221,003	-
Transfers	45,000	100,000	115,000	100,000	100,000	303,735	1,427,144	1,766,161	159,725	105,737
Total governmental activities	<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>	<u>\$ 32,287,108</u>	<u>\$ 34,758,407</u>
Business-type activities										
Investment earnings	\$ 1,256	\$ 1,802	\$ 238	\$ 2,257	\$ 6,743	\$ 26,202	\$ 108,642	\$ 90,877	\$ 1,897	\$ 7,974
Gain on sale of capital assets	-	-	72,239	15,345	-	6,301	-	-	26,251	80,000
Transfers	(45,000)	(100,000)	(115,000)	(100,000)	(100,000)	(303,735)	(1,427,144)	(1,766,161)	(159,725)	(105,737)
Total business-type activities	<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>	<u>(131,577)</u>	<u>(17,763)</u>
Total primary government	<u>\$ 16,877,777</u>	<u>\$ 16,675,573</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>	<u>\$ 32,155,531</u>	<u>\$ 34,740,644</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (5,561,033)	\$ (2,843,929)	\$ 1,285,838	\$ 436,089	\$ 1,071,557	\$ 8,341,971	\$ 9,389,749	\$ 3,297,834	\$ 7,883,626	\$ 5,132,817
Business-type activities	245,733	347,553	493,724	599,424	233,985	276,145	1,877,727	2,582,939	398,289	978,886
Total primary government	<u>\$ (5,315,300)</u>	<u>\$ (2,496,376)</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>	<u>\$ 8,281,915</u>	<u>\$ 6,111,703</u>

**Note:** FY2014 and FY2017 have been restated and the effect of implementing GASB Nos. 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)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 265,788	\$ 220,958	\$ 522,637	\$ 176,909	\$ 697,430	\$ 640,857	\$ 575,973	\$ 609,281	\$ 460,299	\$ 737,376
Assigned	103,494	104,849	104,849	-	518,159	1,687,713	2,598,191	2,016,880	3,036,769	2,443,386
Unassigned	5,480,501	5,236,868	6,097,136	8,658,815	10,096,493	12,185,372	14,487,097	15,357,559	21,001,555	25,983,366
Total general fund	<u>\$ 5,849,783</u>	<u>\$ 5,562,675</u>	<u>\$ 6,724,622</u>	<u>\$ 8,835,724</u>	<u>\$ 11,312,082</u>	<u>\$ 14,513,942</u>	<u>\$ 17,661,261</u>	<u>\$ 17,983,720</u>	<u>\$ 24,498,623</u>	<u>\$ 29,164,128</u>
All Other Governmental Funds										
Nonspendable	\$ 1,250	\$ 2,814	\$ 6,759	\$ 726	\$ 75,972	\$ 74,589	\$ 49,137	\$ 39,491	\$ 2,630	\$ 118,799
Restricted	3,895,162	3,211,328	3,216,280	3,418,052	3,956,270	6,904,212	9,061,573	8,908,342	9,040,695	46,218,559
Committed	82,792	-	-	-	-	-	-	-	-	-
Unassigned	(972,951)	(1,457,099)	(1,073,220)	(1,073,220)	(715,924)	(361,389)	-	-	-	-
Total all other governmental funds	<u>\$ 3,006,253</u>	<u>\$ 1,757,043</u>	<u>\$ 2,149,819</u>	<u>\$ 2,345,558</u>	<u>\$ 3,316,318</u>	<u>\$ 6,617,412</u>	<u>\$ 9,110,710</u>	<u>\$ 8,947,833</u>	<u>\$ 9,043,325</u>	<u>\$ 46,337,358</u>

**Note:** Restatement to 2013 ending Fund balance due to a correction of an error in the GEMA flood fund.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 16,556,891	\$ 17,289,758	\$ 20,692,270	\$ 23,692,430	\$ 23,957,036	\$ 25,578,276	\$ 28,209,926	\$ 28,744,291	\$ 31,389,390	\$ 34,182,159
Licenses and permits	1,833,050	2,124,865	2,435,307	2,280,227	2,801,140	3,156,667	3,232,355	3,400,336	3,613,465	5,042,535
Intergovernmental	2,026,572	822,471	653,037	491,732	1,563,539	8,085,336	11,632,635	10,983,223	4,375,710	7,037,058
Fines and forfeitures	1,755,313	1,591,145	2,310,910	1,936,467	1,801,475	1,923,209	1,914,322	1,707,961	2,140,840	1,919,730
Charges for service	2,172,256	1,906,925	1,875,617	2,006,316	1,805,462	1,618,886	1,934,033	1,570,287	1,418,404	2,112,645
Interest Income	32,437	27,055	24,928	33,354	59,825	159,939	396,363	347,592	244,542	209,810
Other Revenues	692,180	734,377	677,521	724,008	788,990	485,665	661,581	576,392	764,725	630,472
<b>Total revenues</b>	<b>25,068,699</b>	<b>24,496,596</b>	<b>28,669,590</b>	<b>31,164,534</b>	<b>32,777,467</b>	<b>41,007,978</b>	<b>47,981,215</b>	<b>47,330,082</b>	<b>43,947,076</b>	<b>51,134,409</b>
<b>Expenditures</b>										
General government	4,949,931	4,055,572	5,579,408	6,786,783	7,099,575	8,504,662	12,692,624	9,953,363	8,495,496	10,496,178
Judicial	730,670	730,699	693,350	767,006	798,380	664,316	748,965	759,475	1,352,124	1,463,838
Public safety	9,853,814	9,530,484	9,641,067	10,470,274	10,522,209	10,720,402	11,832,548	12,826,208	12,294,473	15,564,022
Public works	1,871,927	1,733,633	1,694,505	1,911,541	1,766,111	2,973,074	6,584,228	7,401,349	2,362,105	3,927,290
Culture and recreation	3,551,336	3,647,892	3,812,069	4,261,087	3,866,921	3,960,766	5,427,391	4,794,840	5,836,521	6,197,168
Housing and development	1,744,156	1,465,802	1,889,726	1,203,446	1,755,616	2,180,607	1,838,037	1,644,433	1,287,522	2,645,603
Capital outlay	6,974,022	1,227,558	172,828	114,672	-	2,467,516	1,057,952	9,177,724	2,399,827	6,747,538
Debt service										
Interest	2,243,242	1,900,149	1,735,405	1,670,103	2,166,042	2,276,805	1,223,779	2,781,109	2,655,273	1,105,508
Principal	1,493,900	1,803,076	2,011,508	2,090,263	1,458,783	1,179,759	2,397,218	1,167,970	1,087,171	2,868,689
Bond Issuance Cost	84,494	-	-	-	207,594	173,589	-	-	-	822,723
<b>Total expenditures</b>	<b>33,497,492</b>	<b>26,094,865</b>	<b>27,229,866</b>	<b>29,275,175</b>	<b>29,641,231</b>	<b>35,101,496</b>	<b>43,802,742</b>	<b>50,506,471</b>	<b>37,770,512</b>	<b>51,838,557</b>
Excess of revenues over (under) expenditures	(8,428,793)	(1,598,269)	1,439,724	1,889,359	3,136,236	1,889,359	4,178,473	(3,176,389)	6,176,564	(704,148)
<b>Other Financing Sources (Uses)</b>										
Transfers in	1,866,957	3,136,389	2,953,188	3,140,934	1,327,110	1,547,418	3,237,807	5,108,425	1,750,819	518,845
Transfers out	(1,821,957)	(3,036,389)	(2,838,188)	(3,040,934)	(1,227,110)	(1,243,683)	(1,810,663)	(2,939,304)	(1,591,094)	(413,108)
Bonds issued	4,110,000	-	-	-	13,600,000	9,480,000	-	-	-	36,860,000
Premium on bonds issued	-	-	-	-	1,679,464	979,522	-	-	-	4,223,723
Payment to refunded bond escrow agent	(4,000,154)	-	-	-	(15,072,082)	(10,286,145)	-	-	-	-
Long term debt issued	187,142	-	-	-	-	-	-	1,166,350	-	1,418,880
Sale of capital assets	-	-	-	317,482	3,500	119,360	35,000	500	274,106	55,346
<b>Total other financing sources (uses)</b>	<b>341,988</b>	<b>14,197,580</b>	<b>115,000</b>	<b>417,482</b>	<b>310,882</b>	<b>596,472</b>	<b>1,462,144</b>	<b>3,335,971</b>	<b>433,831</b>	<b>42,663,686</b>
<b>Net change in fund balances</b>	<b>\$ (8,086,805)</b>	<b>\$ 5,233,906</b>	<b>\$ 1,554,724</b>	<b>\$ 2,306,841</b>	<b>\$ 3,447,118</b>	<b>\$ 2,485,831</b>	<b>\$ 5,640,617</b>	<b>\$ 159,582</b>	<b>\$ 6,610,395</b>	<b>\$ 41,959,538</b>
Debt service as a percentage of noncapital expenditures	14%	15%	14%	13%	13%	11%	9%	9%	12%	9%

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

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Alcoholic Beverage Excise Tax</b>	<b>Franchise Tax</b>	<b>Insurance Premium Tax</b>	<b>Hotel/Motel &amp; Car Rental</b>	<b>Other</b>	<b>Total</b>
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	23,692,429
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	23,957,036
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
2021	14,312,831	10,197,264	1,426,806	2,594,381	2,441,790	1,976,252	161,555	33,110,879
2022	15,090,537	10,066,787	1,311,665	2,690,488	2,479,272	2,398,969	144,441	34,182,159

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

<u>Fiscal Year</u>	<u>Digest Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Utilities Property</u>	<u>Motor Vehicles Mobile Homes Heavy Equipment</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2013	2012	\$ 863,062,342	\$ 148,464,889	\$ 11,717,620	\$ 50,152,681	\$ (25,636,479)	\$ 1,047,761,053	5.497	\$ 2,734,763,435	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	2,619,402,633	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
2021	2020	1,327,022,013	274,949,099	20,074,485	11,302,693	(82,777,159)	1,550,571,131	8.279	3,876,427,828	40.00
2022	2021	1,421,062,404	324,575,578	21,823,607	7,554,911	(24,875,322)	1,750,141,178	8.111	4,375,352,945	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	
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	19.600	1.000	0.000	41.442
2021	7.211	0.900	8.111	12.563	19.550	0.500	0.000	40.724
2022	7.211	0.792	8.003	12.563	19.500	1.000	0.000	41.066

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 &amp; Overlapping Rates</u>
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
2021	2.00	1.00	4.00	7.00
2022	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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 <sup>(1)</sup>
Accommodations	\$ 173,072	\$ 246,938	\$ 289,916	\$ 311,047	\$ 324,023	\$ 383,109	\$ 382,805	\$ 274,440	\$ 391,653	\$ 350,456
Automotive	1,305,341	677,508	732,343	785,155	746,299	757,758	753,157	899,744	1,062,379	832,482
Construction	101,765	170,593	230,438	189,842	155,212	268,014	217,734	191,920	269,048	250,491
Food/Bars	4,073,763	4,263,736	4,515,450	4,734,483	4,764,124	4,636,837	4,889,394	5,222,073	5,641,776	4,371,025
General Merchandise	4,008,131	4,030,292	4,164,612	3,861,740	3,938,706	3,966,830	4,476,581	6,068,552	5,169,203	3,980,116
Home Furnishing	1,990,815	2,004,988	1,992,955	2,221,464	2,044,811	1,975,474	1,960,083	2,038,744	2,488,949	2,268,462
Manufacturing	859,197	1,190,029	1,180,927	1,314,683	1,112,913	1,403,981	1,361,828	1,166,020	1,423,689	1,568,030
Misc. Service	1,859,793	2,092,904	2,353,688	2,525,176	2,258,121	2,473,394	2,519,057	2,650,588	3,185,592	2,914,186
Other Retail	2,596,063	3,029,861	3,138,120	3,177,548	3,046,707	3,741,918	3,881,439	4,426,081	5,374,780	4,340,999
Other Service	480,804	522,537	633,729	651,344	792,409	1,393,981	1,444,170	1,509,504	1,785,437	1,500,566
Utility	1,504,646	1,649,436	1,570,595	1,468,460	1,407,637	1,553,798	1,655,432	1,539,234	1,597,746	1,327,352
Wholesale	3,033,358	3,272,752	2,983,190	2,416,181	2,420,912	2,778,984	3,103,178	2,553,960	3,358,259	3,335,530
<b>Total</b>	<b>\$ 21,986,748</b>	<b>\$ 23,151,574</b>	<b>\$ 23,785,963</b>	<b>\$ 23,657,123</b>	<b>\$ 23,011,874</b>	<b>\$ 25,334,078</b>	<b>\$ 26,644,858</b>	<b>\$ 28,540,860</b>	<b>\$ 31,748,511</b>	<b>\$ 27,039,695</b>
Sales Tax Rate ***	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Note: Information above specific to the Douglas County and not the City of Douglasville.

Source: Georgia Department of Revenue Sales Tax Commodity Report

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

<sup>(1)</sup> Through September 2022.

# City of Douglasville, Georgia

## Principal Property Taxpayers

### Current Year and Ten Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Mcmaster-Carr Supply Company	\$ 60,240,160	1	3.89%			
Douglasville Pavilion, LLC	17,015,640	2	1.10%			
Gordon Food Services, Inc.	16,269,840	3	1.05%			
Crestmark Community, LLC	15,432,373	4	1.00%			
Trikell, LLC	14,829,932	5	0.96%	\$ 8,610,785	4	0.79%
MRE Propco LP	14,711,360	6	0.95%			
Arbor Place II, LLC	14,628,040	7	0.94%	13,316,920	2	1.22%
Development Auth. of City of Douglasville	13,909,040	8	0.90%			
One Rocky Ridge, LLC	13,518,000	9	0.87%			
Prologis TLF (New Manchester)	13,064,800	10	0.84%	7,891,440	6	0.72%
MedLine Industries, Inc				20,925,799	1	1.91%
DDRTC Douglasville Pavilion, LLC				8,938,640	3	0.82%
Centerpoint Properties Trust				8,201,920	5	0.75%
Carlyle Centennial Lenox LP				7,807,880	7	0.71%
SCI Brodick Hill Fund LLC, Etal				7,799,448	8	0.71%
CAM Crestmark, LLC				7,533,648	9	0.69%
WPRE I Rocky Ridge, LLC				7,000,000	10	0.64%
<b>Total</b>	<b>\$ 193,619,185</b>		<b>12.49%</b>	<b>\$ 98,026,480</b>		<b>8.96%</b>

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
2013	2012	\$ 5,483,852	\$ 5,299,807	96.64%	\$ 183,636	\$ 5,483,443	99.99%
2014	2013	5,358,823	5,189,421	96.84%	169,105	5,358,526	99.99%
2015	2014	7,316,371	7,158,035	97.84%	157,966	7,316,001	99.99%
2016	2015	9,359,932	9,117,159	97.41%	241,410	9,358,569	99.99%
2017	2016	9,395,185	9,298,745	98.97%	95,018	9,393,763	99.98%
2018	2017	9,866,902	9,856,186	99.89%	7,896	9,864,082	99.97%
2019	2018	9,851,637	11,205,582	113.74%	(1,369,953)	9,835,629	99.84%
2020	2019	10,615,239	10,296,186	96.99%	297,431	10,593,617	99.80%
2021	2020	11,181,168	10,973,656	98.14%	53,564	11,027,220	98.62%
2022	2021	11,890,748	11,676,192	98.20%	44,541	11,720,733	98.57%

**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				Revenue Bonds	GO Bonds	Total Primary Government	Percentage of Personal Income	Per Capita	Population
	Note Payable	Financed Purchases	Lease Liabilities							
2013	\$ -	\$ 1,730,831	\$ -		\$ 18,183,996	\$ 25,615,573	\$ 45,530,400	0.000191%	1,442	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	33,615,853	0.000108%	1,017	33,052
2020	496,652	421,816	-		17,356,467	13,422,837	31,697,772	0.000088%	915	34,650
2021	403,868	215,267	-		16,113,079	12,027,898	28,760,112	0.000076%	809	35,561
2022	300,571	851,820	432,377		32,789,664	33,734,058	68,108,490	0.000180%	1,915	35,561

**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.

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Restricted for GO Debt Service</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>	<b>Population</b>
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%	387	34,650
2021	12,027,898	-	12,027,898	0.78%	338	35,561
2022	33,734,058	-	33,734,058	1.93%	949	35,561

**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, 2022**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct General Obligation Debt			
Financed purchase	\$ 851,820	100.00%	\$ 851,820
Bonds	66,523,722	100.00%	66,523,722
Note Payable	300,571	100.00%	300,571
Lease Liabilities	432,377	100.00%	432,377
	<u>\$ 68,108,490</u>		<u>\$ 68,108,490</u>
Overlapping General Obligation Debt			
Douglas County	\$ 4,151,802		
Lease Liabilities	2,727,404		
Total :	<u>\$ 6,879,206</u>	29.12%	<u>\$ 2,003,225</u>
Douglas County School District			
Bonds	\$ 105,300,000		
	<u>\$ 105,300,000</u>	29.12%	<u>\$ 30,663,360</u>
	<u>\$ 112,179,206</u>		<u>\$ 32,666,585</u>
Total Direct and Overlapping Debt	<u>\$ 180,287,696</u>		<u>\$ 100,775,075</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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 107,339,753	\$ 106,073,481	\$ 105,274,737	\$ 111,123,900	\$ 117,465,405	\$ 124,792,437	\$ 142,411,903	\$ 155,838,277	\$ 163,334,829	\$ 177,501,650
Total net debt applicable to limit	25,615,573	24,366,887	17,980,000	17,010,000	17,359,448	16,099,826	14,798,482	13,422,837	12,027,898	33,099,136
Legal debt margin	\$ 81,724,180	\$ 81,706,594	\$ 87,294,737	\$ 94,113,900	\$ 100,105,957	\$ 108,692,611	\$ 127,613,421	\$ 142,415,440	\$ 151,306,931	\$ 144,402,514
Total net debt applicable to the limit as a percentage of debt limit	23.86%	22.97%	17.08%	15.31%	14.78%	12.90%	10.39%	8.61%	7.36%	18.65%

**Legal Debt Margin Calculation for Fiscal Year 2022**

Assessed value	\$ 1,750,141,178
Add back exempt real property	24,875,322
Total assessed value	<u>1,775,016,500</u>
Debt limit (10% of total assessed value)	<u>177,501,650</u>
Debt applicable to limit:	
General obligation bonds	33,734,058
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>33,734,058</u>
Legal debt margin	<u>\$ 143,767,592</u>

Info gathered from:  
2021 Tax Millage Rate and 5 Year History

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

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income<sup>1</sup></b>	<b>Median Age<sup>1</sup></b>	<b>County School Enrollment</b>	<b>School Enrollment<sup>1</sup></b>	<b>Unemployment Rate<sup>1</sup></b>
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	34,650	1,038,807,000	29,980	36.7	25,770	9,864	8.80%
2021	35,561	1,066,118,780	29,980	36.7	26,668	9,864	8.80%
2022 <sup>(2)</sup>	35,561	1,066,118,780	29,980	36.7	26,459	9,864	5.20%

**Data sources**

<sup>1</sup>United States Census Bureau

<sup>2</sup>Data 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**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
American Red Cross	732	1	3.70%	450	3	2.31%
Medline Medical Ind., Inc.	495	2	2.50%	250	6	1.28%
AHS Construction, LLC	450	3	2.27%			
Baldwin Paving Co., Inc.	435	4	2.20%			
Kehe Distributors, LLC	419	5	2.12%			
Walmart Super Center	345	6	1.74%	750	1	3.85%
TDR Contractors, Inc.	300	7	1.52%			
Amazon.com Services, LLC	299	8	1.51%			
Trew, LLC	280	9	1.41%			
Sam's Club	157	10	0.79%			
Wellstar Douglas Hospital				700	2	3.60%
Benton Georgia				300	4	1.54%
Staples Customer Center				258	5	1.33%
Cahaba Healthcare				100	7	0.51%
Reflex				100	8	0.51%
A.L.P. Lighting Components				100	9	0.51%
DeNyse Signs				75	10	0.39%
<b>Total</b>	<b>3,912</b>		<b>19.77%</b>	<b>3,083</b>		<b>15.83%</b>

**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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Government:										
Governing Body	9	9	8	8	8	8	8	8	8	8
Chief Executive (Mgr. Or Admin.)	5	5	5	4	7	9	8	9	8	6
IT/MIS	3	3	3	3	3	3	3	3	3	2
Police Records & Court	12	11	9	9	13	12	13	24	25	24
Financial Administration	8	7	7	7	7	7	10	8	9	12
General Govt. Bldgs. & Plant	1	1	1	1	3	5	5	7	8	6
Human Resources	2	2	3	4	5	5	5	4	5	14
Public Safety:										
Police Administration	9	8	8	9	10	18	7	9	9	8
Police - IT	2	2	2	2	2	2	2	3	3	3
Police Detective	17	17	19	15	17	18	18	17	19	16
Police Special OPS	8	8	8	6	4	3	5	5	5	5
Police Patrol	53	48	62	55	57	53	64	56	55	58
Police Motors	6	5	5	3	2	3	5	5	5	4
Police Training	3	6	10	5	3	3	3	3	3	3
Police SRO	4	4	4	4	6	7	6	-	-	
Police Building Maintenance	1	1	1	1	1	1	1	1	1	2
Building Inspections	3	3	4	4	4	5	5	2	4	7
Code Enforcement	4	4	4	4	5	4	4	4	5	5
Planning & Zoning	2	3	3	3	3	2	3	4	5	2
Engineering	3	-	-	-	-	-	-	1	1	3
Community Development	4	1	4	3	3	2	3	3	3	3
Tourism	3	3	4	3	2	2	2	2	2	3
Culture/Recreation Administration	7	8	8	8	6	6	17	17	20	33
Conference Center	5	4	6	6	6	3	9	3	4	3
West Pines Golf	8	8	11	8	9	8	13	25	17	20
Parks Areas	8	7	9	7	11	9	9	7	7	11
Highways & Streets Admin.	17	17	16	15	13	16	16	15	16	16
Traffic Engineering										
Sanitary Administration	22	22	26	21	23	20	30	22	24	16
Maintenance & Shop	2	2	2	2	2	2	2	2	3	2
Video Production	3	4	4	4	4	4	4	6	8	7
Development Authority	1	-	-	-	-	-	-	-	-	-
Keep Douglasville Beautiful	4	4	4	4	4	4	4	2	3	2
<b>Total</b>	<b>239</b>	<b>227</b>	<b>260</b>	<b>228</b>	<b>243</b>	<b>244</b>	<b>284</b>	<b>277</b>	<b>288</b>	<b>304</b>

Source: City of Douglasville Human Resources Dept

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

<b>Function</b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
Public Works:										
Street resurfacing (feet)	11,051	23,707	69,696	9,979	7,723	53,559	50,283	106,647	-	34,222
Planning and Zoning:										
Building permits issued	248	566	157	192	323	267	366	334	391	446
Permits issued (excl. sign)	-	-	-	-	-	-	1,563	1,590	1,475	1,312
Police protection*:										
Number of citations written	8,613	7,031	8,779	10,088	7,760	10,256	9,869	5,973	5,373	5,942
Number of automobile accidents	2,483	2,530	2,684	3,029	2,991	3,033	2,948	2,485	2,764	2,786
Number of reported crimes	4,160	4,836	4,941	5,515	5,403	5,969	5,337	4,734	4,344	4,418
Sanitation**:										
Large items pickup	88	100	141	183	148	74	117	140	285	172

**Sources: \*City of Douglasville Courts and Records**

**\*\* City Sanitation Department**

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

<b>Function</b>	<b>Fiscal year</b>									
	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
Public works:										
Miles of streets	166.00	166.00	150.67	150.67	150.67	150.67	150.67	150.67	150.67	140.00 <sup>(1)</sup>
Number of traffic lights										
Number of street lights	2,048	2,048	2,293	2,293	2,574	2,511	2,518	2,518	2,518	1,100 <sup>(2)</sup>
Police protection:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of police officers positions	94	94	97	97	102	117	101	112	113	115
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	381 <sup>(3)</sup>

**Sources:** Various city departments.

(1) A 2022 review of the City's infrastructure determined that the previously reported figure of 150.67 miles of streets included miles not maintained by the City such as interstate highways which are maintained by the state department of transportation. 140.00 miles is a more accurate measurement.

(2) A 2022 review of the City's street lights estimated from review of lights billed by power utilities, and lights maintained and metered by the City's public works department, the City maintains approximately 1,100 street lights. Current public works personnel estimate that the 2,518 street lights reported in previous years included lights maintained by homeowners associations.

(3) During fiscal year 2022, the Douglas County Tax Commissioner migrated to a new software system. In conjunction with this migration, a GIS study was completed, resulting in adjusted measurements for property in the County and City.

## **COMPLIANCE SECTION**

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

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**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, 2022, 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, 2022. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, as of July 1, 2021.

**Report on Internal Control over Financial Reporting**

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

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

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



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**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
December 30, 2022



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

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

### Report on Compliance for Each Major Federal Program

#### *Opinion on Each Major Federal Program*

We have audited the City of Douglasville, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

#### *Basis for Opinion on Each Major Federal Program*

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

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

#### *Responsibilities of Management for Compliance*

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

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### *Auditor's Responsibilities for the Audit of Compliance*

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

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

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

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

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## Report on Internal Control over Compliance

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

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

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

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

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
December 30, 2022

**CITY OF DOUGLASVILLE, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Agency or Pass-through Grantor Number	Total Expenditures
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Direct Awards			
Bulletproof Vest Partnership Program	16.607	2020BUBX20024118	\$ 6,344
Edward Byrne Memorial Justice Assistance Grant	16.740	15PBJA-21-GG-01405-JAGX	21,409
Equitable Sharing Program	16.922	GA0480100	16,350
<b>Total U.S. Department of Justice</b>			44,103
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Passed through Georgia Department of Transportation			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	PI#0015072	662,110
Highway Planning and Construction	20.205	PI#0017811	119,834
Total Highway Planning and Construction Cluster			781,944
Highway Safety Cluster			
State and Community Highway Safety	20.600	TEN-2022-402 PT-029	11,286
Total Highway Safety Cluster			11,286
<b>Total U.S. Department of Transportation</b>			793,230
<b>U.S. DEPARTMENT OF THE TREASURY</b>			
Passed through Georgia Office of Planning and Budget			
COVID19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	GA-0004910	352,220
COVID19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	GA-0009106	89,276
<b>Total U.S. Department of the Treasury</b>			441,496
<b>Total Expenditures of Federal Awards</b>			\$ 1,278,829

See accompanying notes to schedule of expenditures of federal awards

**CITY OF DOUGLASVILLE, GEORGIA**  
**NOTES TO SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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**(1) Summary of Significant Accounting Policies**

***Basis of Presentation and Accounting***

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred.

In instances where the grant agreement requires the City to match grant awards with City funds, such matching funds are excluded from the accompanying schedule of expenditures of federal awards.

Federal grant programs that are administered through State agencies (pass-through awards) have been included in the accompanying schedule of expenditures of federal awards. These programs are operated according to federal regulations promulgated by the originating federal agency providing the funding.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

The City does not utilize the 10% de minimis indirect cost rate.

**CITY OF DOUGLASVILLE, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**SECTION I  
SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

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

Internal control over financial reporting:

Material weaknesses identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified \_\_\_\_\_ yes   X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

**Federal Awards**

Internal control over major program:

Material weaknesses identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified \_\_\_\_\_ yes   X   none reported

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

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

**Identification of major program:**

20.205 Highway Planning and Construction Cluster

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes   X   no

**CITY OF DOUGLASVILLE, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**SECTION II  
FINANCIAL STATEMENT FINDINGS**

**None Reported**

**SECTION III  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**None Reported**



**CITY OF DOUGLASVILLE, GEORGIA  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**2021-001**

**Accounts Payable**

*Condition:* Internal controls were not sufficient to ensure proper accrual of accounts payable at year end.

*Status:* This issue was corrected during the current fiscal year.