CITY OF MOULTRIE, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2023

CITY OF MOULTRIE
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FOR THE YEAR ENDED SEPTEMBER 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Moultrie, Georgia

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages vi – xxii, budgetary comparison information, and the pension related schedules on pages 60-66 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 nonmajor fund financial statements and One Percent Special Purpose Sales Tax Project Cost Schedules 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 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the One Percent Special Purpose Sales Tax Project Cost Schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City 's internal control over financial reporting and compliance.

Respectfully submitted,

Valenti, Rackley & Assoc., LLC

Valenti, Rackley & Associates, LLC
Certified Public Accountants

April 24, 2024

As management of the City of Moultrie, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2023. We encourage readers to read the information presented here in conjunction with the City's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The City has $165.865 million in total assets and deferred outflow of resources of which $70.068 million are capital assets.
- The City has $30.177 million in total liabilities and deferred inflows of resources of which $20.346 million liabilities are long-term.
- The City's net position at the close of the most recent fiscal year was $135.687 million (net position). Of this amount, $71.736 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors while $53.686 million is invested in capital assets, net of related debt.
- The City's total assets and deferred outflows increased by $4.609 million this year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $29.921 million, an increase of $1.962 million in comparison with the prior year. Of this amount, $19.760 million was from the General Fund, a $2.273 million increase from the prior year. This improvement was primarily due to an increase in cash, cash equivalents, and property tax receivables in the General Fund.
- The City's long-term liabilities decreased by $978 thousand during the current fiscal year primarily due to decreased pension liability of $257 thousand from the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (which serves as an introduction to the City's basic financial statements), the *basic financial statements*, and *supplementary information* that presents combining statements for nonmajor governmental funds and nonmajor enterprise funds as well as other selected information. The City's basic financial statements consist of three components: 1) Government-Wide financial statements, 2) Fund financial statements and 3) Notes to financial statements.

Government-Wide Financial Statements

The primary role of the government-wide financial statements is to demonstrate operational accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Moultrie's finances, in a manner similar to a private-sector business. It provides both long-term and short-term information about the City's overall financial status. The *statement of net position* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer the question - is the City's financial health improving or deteriorating?

The *statement of net position* presents information on all the City's assets and liabilities, with the difference between the two reported as net position. The statement is a tool to measure the City's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The reader would need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health of the City.

The *statement of activities* presents information showing how the City'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 the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, community development, and interest on long-term debt. The business-type activities of the City include water and sewer, electric, gas, CNS Broadband, solid waste, airport operations, and mass transit.

The government-wide financial statements include not only the City of Moultrie itself (known as the *primary government*), but also a legally separate Downtown Development Authority, for which the City has some degree of financial accountability. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

The primary role of the Fund financial statements is to demonstrate fiscal accountability. Fiscal accountability requires that a government demonstrates compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year).

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, 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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

The City maintains nine (9) 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, American Rescue Plan Fund, and TSPLOST Fund, because they are considered major funds. Data from the other six (6) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, CNS Broadband Fund, Solid Waste Fund, Airport Fund, Mass Transit Fund and the Utilities Deposit Fund. The City uses its internal service fund to account for its equipment services and other services. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, Electric Revenue Fund and Gas Fund which are considered major funds of the City. Conversely, the non-major enterprise funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

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

Table 1
Major Features of the Basic Financial Statements

		Fund Financial Statements		
	Government-Wide Statements	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire City government (except fiduciary funds) and the City's component units	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances where the City is the trustee or agent for someone else's resources
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenditures, and Changes in Net Position Statement of Cash Flows	Statement of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflow of resources exceeded liabilities and deferred inflows of resources by $135.687 million at the close of the most recent fiscal year.

A large portion of the City's net position 39.57% reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City'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. The City also had $71.736 million or 52.85% in unrestricted net position.

Table 2 below presents the City's condensed statement of net position as of September 30, 2023.

	Governmental Activities		Business-type Activities		Total	
September 30,	2023	2022	2023	2022	2023	2022
Current and other assets	36,568,182	34,942,530	65,687,161	63,842,062	102,255,343	98,784,592
Capital assets	28,370,186	24,691,905	41,697,327	42,552,917	70,067,513	67,244,822
Deferred outflows of resources	2,264,171	2,958,107	1,154,994	1,508,982	3,419,165	4,467,089
Total assets and deferred outflows	67,202,539	62,592,542	108,539,482	107,903,961	175,742,021	170,496,503
Other liabilities	3,650,718	4,171,344	14,479,040	13,290,477	18,129,758	17,461,821
Long-term liabilities	2,859,016	3,170,315	17,486,664	18,153,735	20,345,680	21,324,050
Deferred inflows of resources	1,045,760	1,149,624	533,461	586,443	1,579,221	1,736,067
Total liabilities and deferred inflows	7,555,494	8,491,283	32,499,165	32,030,655	40,054,659	40,521,938
Net position:						
Net investment in capital assets	28,155,195	24,378,712	25,530,831	25,823,053	53,686,026	50,201,765
Restricted	10,159,904	10,471,738	0	0	10,159,904	10,471,738
Unrestricted	21,331,946	19,250,809	50,509,486	50,050,253	71,841,432	69,301,062
Total net position	59,647,045	54,101,259	76,040,317	75,873,306	135,687,362	129,974,565

Net position may serve over time as a useful indicator of a government's financial position. The City's combined net position exceeds liabilities by $135.687 million for 2023 as compared to $129.974 million for 2022 for an increase of $5.712 million. Of this amount, there was an increase of $61 thousand in business-type activities and $5.546 million increase in governmental activities.

An additional portion of the City's net position (7.57%) or $10.160 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($71.841 million) may be used to meet the City's ongoing obligations to citizens and creditors. This is an increase of $2.540 million.

For governmental activities, the City reported a balance of $21.331 million in unrestricted net position. This is an increase of $2.081 million from 2022 due to an increase in current assets as well as capital assets and a decrease in total liabilities. The business-type activities unrestricted net position was $50.509 million, an increase of $459 thousand from 2022.

For business type activities, the City reported a balance of $8,651 million in cash and cash equivalents in 2023 compared to $24.777 million in 2022. The difference is $16 million due to funds being moved from cash to investments.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

Condensed Statement of Activities

Table 3 below presents the City's condensed statement of activities for the years ended September 30, 2023 and 2022. Over time, increases or decreases in net position measure whether the City's financial position is improving or deteriorating.

Table 3
Condensed Statement of Activities

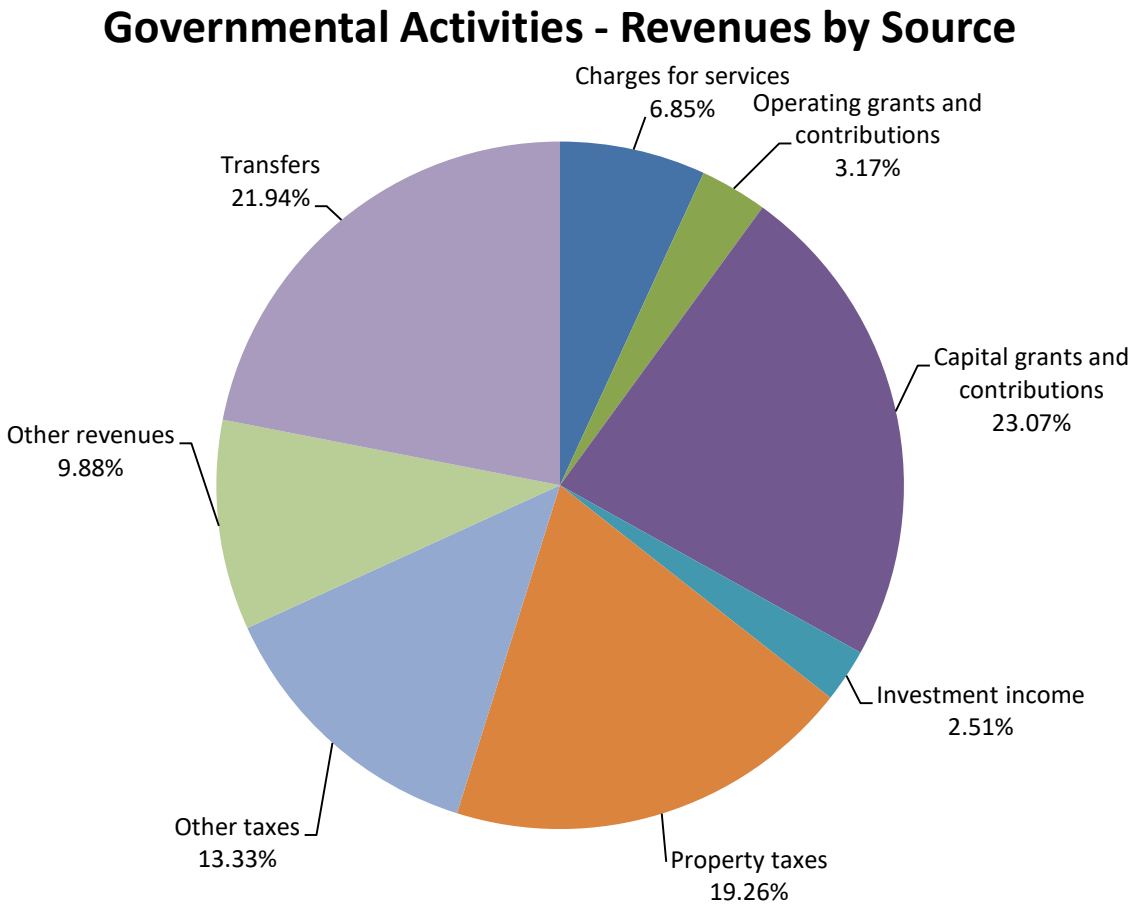
	Governmental Activities		Business-type Activities		Total	
Year ended September 30,	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	$ 1,388,311	$ 1,478,238	$ 36,421,154	$ 35,345,580	$ 37,809,465	$ 36,823,818
Operating grants and contributions	641,373	790,207	-	-	641,373	790,207
Capital grants and contributions	4,674,185	6,354,269	-	-	4,674,185	6,354,269
General revenues:						
Property taxes	3,902,083	3,957,985	-	-	3,902,083	3,957,985
Other taxes	2,701,510	2,619,853	-	-	2,701,510	2,619,853
Investment income	509,601	130,469	858,087	201,390	1,367,688	331,859
Other revenues	2,001,899	219,150	197,670	183,062	2,199,569	402,212
Total revenues	15,818,962	15,550,171	37,476,911	35,730,032	53,295,873	51,280,203
Expenses						
Governmental activities:						
General government	2,793,200	3,153,843	-	-	2,793,200	3,153,843
Judicial	356,762	382,728	-	-	356,762	382,728
Public safety	7,282,842	6,954,316	-	-	7,282,842	6,954,316
Public works	2,943,801	2,633,887	-	-	2,943,801	2,633,887
Community development	1,334,567	1,060,907	-	-	1,334,567	1,060,907
Interest on long-term debt	7,499	10,429	-	-	7,499	10,429
Business-type activities:						
Water & sewer	-	-	6,101,441	6,207,284	6,101,441	6,207,284
Electric revenue	-	-	20,292,133	18,018,383	20,292,133	18,018,383
Gas revenue	-	-	2,249,521	3,135,233	2,249,521	3,135,233
Broadband	-	-	525,546	241,756	525,546	241,756
Solid waste	-	-	2,694,707	2,574,682	2,694,707	2,574,682
Airport	-	-	945,611	656,750	945,611	656,750
Mass transit	-	-	55,444	54,720	55,444	54,720
Total expenses	14,718,671	14,196,110	32,864,403	30,888,808	47,583,074	45,084,918
Increase (decrease) in net position before transfers	1,100,291	1,354,061	4,612,508	4,841,224	5,712,799	6,195,285
Capital Contribution	(105,363)	-	105,363	-	-	-
Transfers	4,550,858	5,391,392	(4,550,858)	(5,391,392)	-	-
Increase (decrease) in net position	5,545,786	6,745,453	167,013	(550,168)	5,712,799	6,195,285
Net position, beg. , restated	54,101,259	47,355,806	75,873,304	76,423,474	129,974,563	124,484,322
Net position,ending.	$ 59,647,045	$ 54,101,259	$ 76,040,317	$ 75,873,306	$ 135,687,362	$ 129,974,565

Governmental activities during the fiscal year ended September 30, 2023, increased the City's net position by $5.545 million. Business-type activities during the same period increased net position by $167 thousand. The net change in net position was an increase of $5.713 million. The table above shows the revenues and expenses by activity for the total primary government. This table shows total 2023 revenues from governmental activities at $15.819 million while expenses were $14.719 million. Business-type activities total revenues for 2023 were $37.477 million while expenses were $32.864 million. The largest revenue source for governmental activities came from capital grants and funding at $4.674 million, which is 23.06% of the total governmental activity funding. Revenues from Property Taxes for governmental activities were $3.902 million or 19.25%. Transfers, net of capital contributions, from business type activities are the second largest governmental activity revenue source at $4.445 million or 21.94%. Business-type activities program revenues exceeded expenses by $4.613 million before internal transfers to support the governmental activities.

Program Revenues and Expenses for Governmental Activities

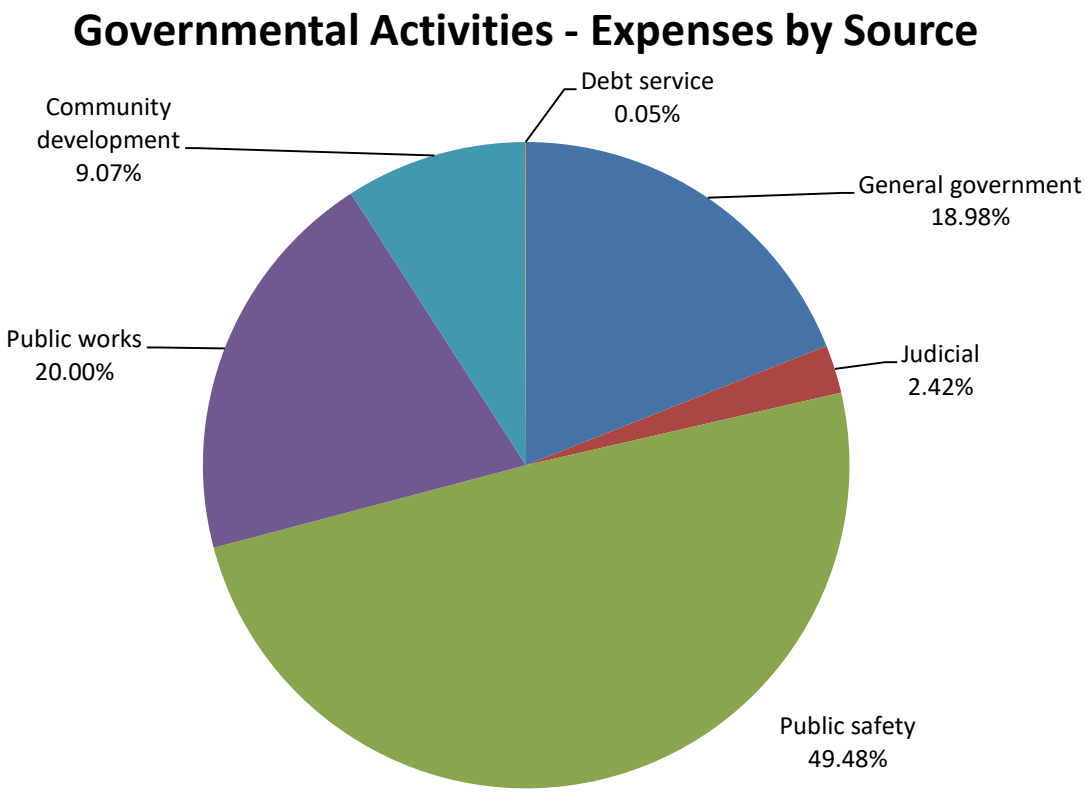
Governmental Activities - Revenues by Source

The following chart shows the governmental activities revenues by major source and includes revenues from transfers. It is easy to see from the chart that governmental activities receive their funding to a great degree through capital grants and contributions. These grants and contributions are 23.06% of the funding for the primary government ahead of transfer, net of capital contributions, from business type activities at 21.94% and Property taxes at 19.25% of governmental revenues in 2023. Transfers, net of capital contributions, from business-type activities decreased by $946 thousand in 2023 along with property taxes by $56 thousand due to an increase in property values. The majority of funding for capital projects comes from Special local option sales taxes and American Rescue Plan funding. Without this funding there would be few capital projects completed.



Governmental Activities – Expenses by Source

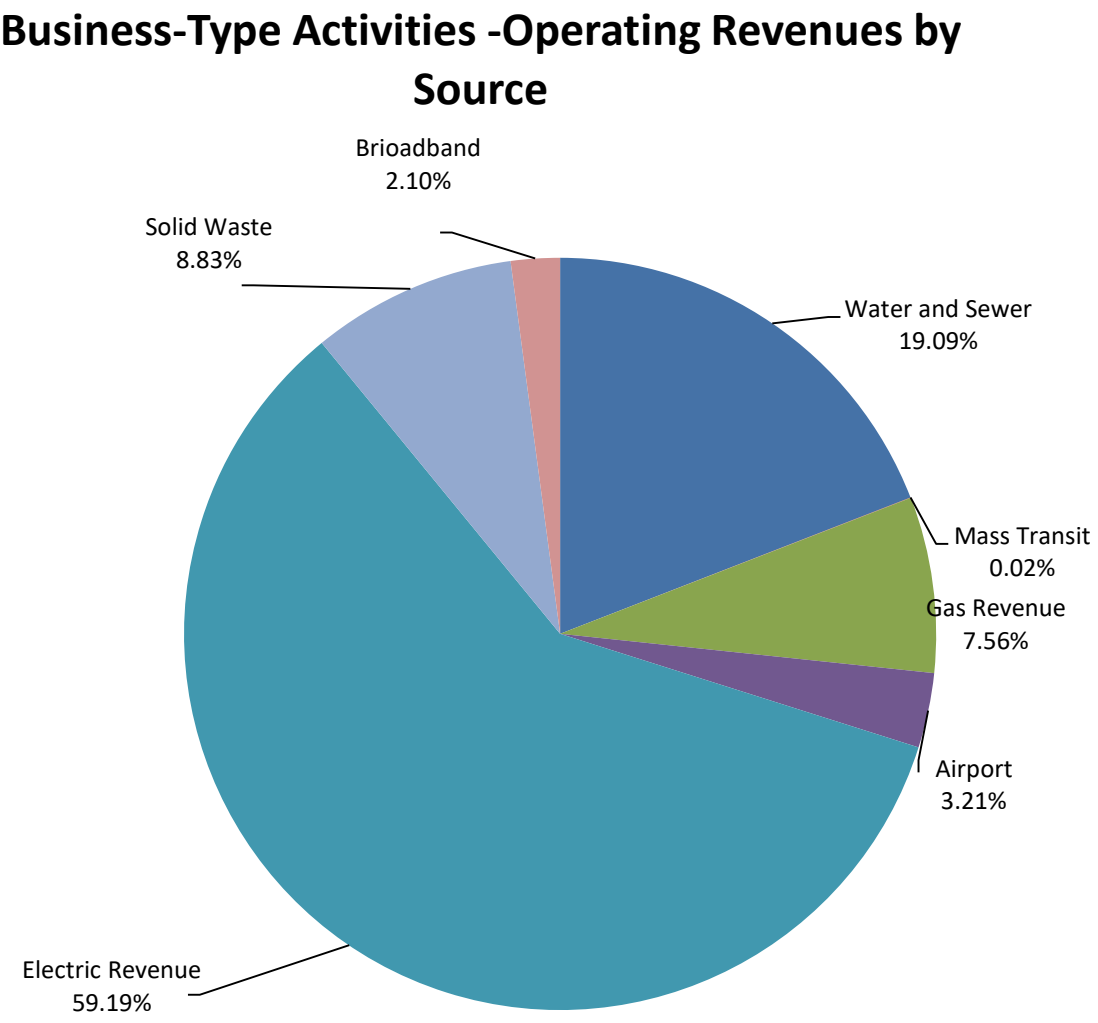
The following chart shows the governmental activities expenses by source. The City of Moultrie spent the greatest amount of its available funding on Public Safety at $7.282 million or 49.48% in 2023. The next largest governmental expense was for Public Works at $2.943 million or 20%. The increase in Public Works expenses was due to capital purchases. A major part of the expenses for all the governmental sources is in personnel cost of salaries and benefits which includes the ever-increasing cost of providing Health care to its employees. The General Fund has benefited greatly by the use of SPLOST funding for its Capital equipment purchases and infrastructure projects, which reduces the impact on the General operating budget, which holds down any possible increases in property taxes or transfers from Business Type activities.



Program Revenues and Expenses for Business-Type Activities

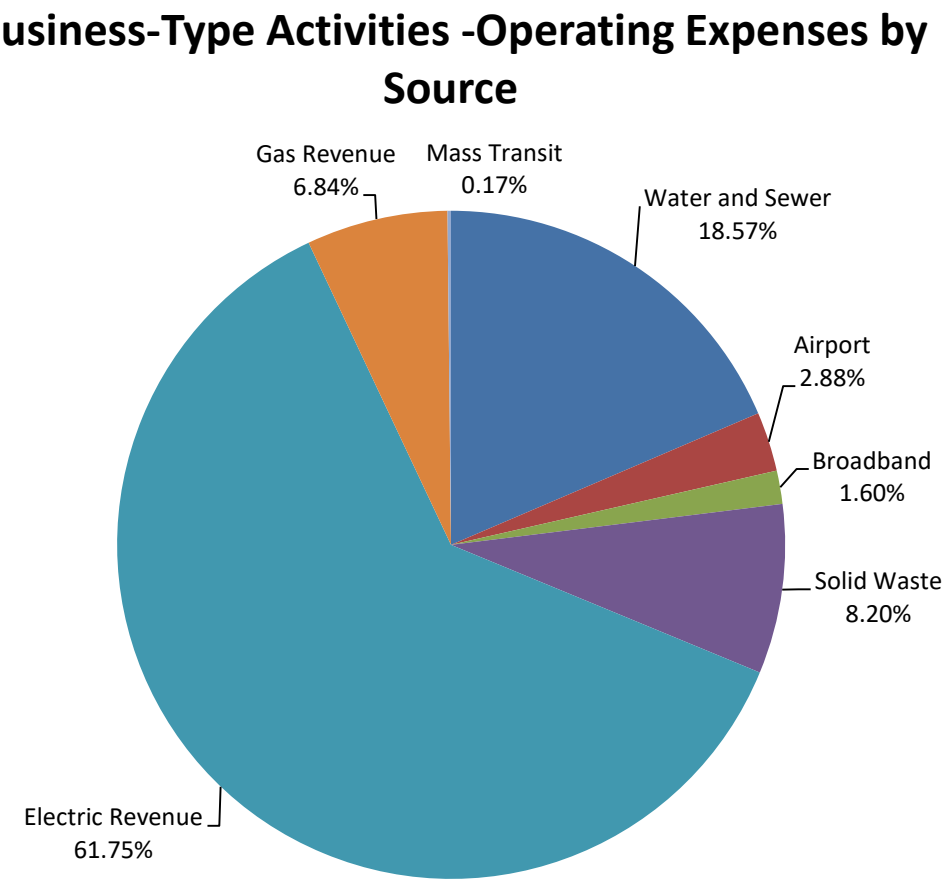
Business-Type Activities – Revenues by Source

The business-type activities' largest revenue source is from the Electric Fund. By far, more revenues (59.19%) or $21.556 million is generated by this fund, which is more than all other business-type activity funds combined. The next largest business-type revenue source comes from the Water & Sewer Fund at 19.09% or $6.952 million.



Business-Type Activities – Expenses by Source

As expected, the Electric Fund also has the largest amount of expenses at 61.74% or $20.292 million, but it generated net income of $2.046 million before its transfers and capital contributions to governmental activities. The Water and Sewer Fund expenses were 18.57% or $6.101 million. This fund had a net income before transfers and capital contributions of $899 thousand due to decreased operating costs and new water and sewer projects. The Water and Sewer, Electric, Solid Waste and Gas funds provided the largest portion of the transfers to the General fund at $4.551 million.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The significant governmental activities funds for the City of Moultrie consists of the General Fund, American Rescue Fund and other governmental funds. Other governmental funds include the Special Revenue Funds of Confiscated Assets, Multiple Grants, Hotel/Motel Fund and the Paving Program and Capital Projects Funds, which include the SPLOST, T-SPLOST, and Community Development Funds.

At September 30, 2023, the General Fund had a fund balance of $19.760 million. This is an increase of $2.273 million from the beginning fund balance as of October 1, 2022. The increase in the fund balance was primarily due to investments. The Public Works, Public Safety and Community Development Funds all had increased operational costs. Overall General Fund expenditures increased $664 thousand from the previous year.

At September 30, 2023, the SPLOST and T-SPLOST Funds had a combined fund balance of $9.826 million. This is a decrease of $137 thousand from the beginning fund balance as of September 30, 2022. There was $2.098 million in SPLOST expenditures for public safety and public works projects. There was $2.252 million in T-SPLOST expenditures for road improvement projects in Public Works during this period. The funds received for these two funds must be used for approved Public Works equipment and roads, Fire and Police equipment and building renovations and Water/Sewer projects. The fund balances of the other governmental funds were $335 thousand at year-end. The final fund balance for all the Governmental funds was $29.922 million at year-end 2023.

Proprietary Funds

The Propriety Funds include the City's major enterprise funds consisting of the Water & Sewer Fund and Electric Fund. The non-major enterprise funds consist of the Gas Fund, Solid Waste Fund, Airport Fund, Mass Transit Fund, Utility Deposit Fund and CNS Broadband Fund. The combined Net Position for all Propriety funds was $76.040 million for the year ended September 30, 2023. This is an increase of $167 thousand mainly due to an increase in new investment in capital assets.

The Water and Sewer Fund had an ending net position was $24.153 million. It had a net operating income before transfers of $1.494 million. The total net position in this fund increased by $57 thousand from $24.096 million in 2022 due to decrease in operating costs and new water and sewer projects.

The Electric Fund had an ending net position of $39.257 million after transfers to the General Fund. This was a decrease of $349 thousand from 2022. These funds are used primarily for additional acquisition and construction of capital assets, operational costs and the costs of power and the transfer of funds to the General Fund. The Electric Fund has kept property taxes level by its transfer of a large part of its profits to the General Fund. The Electric Fund has also provided funding for community projects that would not have been completed without its help. The Electric Fund had a

slight increase in operating revenue of $1 thousand while operating expenditures increased by $2.79 million.

The Cable TV Fund operations was sold to the South Georgia Governmental Services Authority in April of 2017 and going forward the City is only responsible for the billing and collection of CNS revenues and opening new accounts and providing customer service on existing accounts. The City is still responsible for the uncollectible accounts, credit card fees and Telecom fees from the State and Federal government as well as the costs of the Business Operations Department attributable to the CNS Fund. As a member of the Authority, the City does receive a distribution of a portion of net profits and has an investment in the SGGSA of $3.298 million at the end of 2023.

The combined net position of the non-major proprietary funds at the end of 2023 was $12.630 million with an increase of $3.294 million from 2022 due to the gas fund becoming a non-major enterprise fund. The non-major enterprise funds had an operating income of $7.911 million compared to $4.229 million in 2022. The Solid Waste fund contributed $3.216 million of the total operating income for these funds and the airport fund contributed $1.169 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that were used to prepare the original budget 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.

The actual revenues of the General Fund were more than the final budgeted amounts by $2.542 million for the year ended September 30, 2023 while actual expenditures were $1.668 million less than budgeted for the same period. In total including transfers to the General Fund, there was a net increase of $2.985 million increase over budget in fund balance. Each Department did an excellent job watching their expenditures. The major factors contributing to the expenditure difference were actual Public safety expenditures of $311 thousand, Public Works expenditures of $891 thousand and general of $344 thousand. Actual transfers from other funds were $1.338 million less than the amount that was budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2023, governmental activities and business-type activities had capital assets of $70.068 million (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and facilities.

The net capital assets from governmental activities increased 3.678 million from $24.692 million to $28.370 million in 2023. Factors attributing to this increase were the purchase of vehicles and equipment, renovations to Fire Station #2, airport projects and improvements to streets. The net capital assets from business-type activities decreased by $855 thousand from the prior year due to the deprecation of existing assets and the purchase of fewer capital assets.

Additional information on the City's capital assets can be found in Note 6 of the Notes to Financial Statements.

Long-term Debt

The City's total long-term debt consists of revenue bonds, long-term notes, capital leases, compensated absences, pension liability and other long-term liabilities.

At September 30, 2023, the City had $2.859 million in outstanding long-term liabilities related to governmental activities of which 2.621 million was due to the City's net pension liability. The City also had $17.487 million of long-term liabilities related to business-type activities for a total of $20.346 million compared to the previous year's total of $21.324 million. This is a total combined decrease of $978 thousand primarily due to a decrease of $257 thousand in the net pension liability.

The City's component unit also had $925 thousand in long-term debt outstanding in connection with Downtown Development Authority Revenue Bonds used to construct the Georgia Department of Labor. Under a lease agreement with the Department of Labor, the Department of Labor is to make rental payments to be used for the purpose of paying the principal and interest payments on the bonds for a period of twenty-three years maturing in 2028.

Additional information on the City's long-term debt can be found in Note 7 of the Notes to Financial Statements.

FACTORS AFFECTING THE 2023 BUDGET

Fiscal year 2022-2023 was a year of challenges and opportunities when approving the City's budget. The Mayor and Council were able to reduce the City's property tax millage from 8.10 mills down to 8.08 mills. The City's health care costs continue to rise and place an increasing burden on the City's self-funded health insurance plan. Personnel costs are the greatest cost to the City's operating budget. It is a challenge every year to provide the services its citizens require as well as hiring and providing a benefit package that keeps and retains employees without raising property taxes or utility rates to provide the needed funds.

There was $4.067 million in Special Local Option Sales Tax and T-SPLOST proceeds collected in 2023, but these revenues are restricted for special projects and cannot be used for regular governmental operations. Although restricted, the SPLOST and T-SPLOST Funds are very important to the city's overall operations as these funds provide funding for projects that may not have been funded without them or would have required an increase in property taxes or utility rates if funded. The City also received $2.653 million in American Rescue Act Plan (ARAP) funds that can be used for water/sewer, telecommunication, public safety and premium pay. The City continues to use bonds, capital leases and GEFA loan proceeds in the Water and Sewer Fund to purchase equipment, improve our sewer plant, and extend water and sewer infrastructure. We have also received a $3.2 million ARAP grant in addition to the second distribution of $2.653 million in ARAP funding which will allow the City to relocate its Spence Field Waste water treatment plant to comply with EDA requirements.

In Downtown Moultrie, 11 new businesses were opened or expanded to create over 20 new jobs were created. Public and private investment in downtown Moultrie for 2023 totaled $1.944 million. Six downtown buildings were renovated and over 86 promotional events were held downtown.

The multi-story educational center is coming along nicely and the Philadelphia College of Osteopathic Medicine Medical School of South Georgia continues to increase their enrollment every year due to the large demand.

Moultrie continues to thrive with businesses spending millions of dollars in renovations. These businesses are striving to become energy efficient along with maintaining a beautiful façade. Investors are building apartment complexes as well as multi-family homes and townhouses.

The City's present financial position is sound and City Staff as well as Mayor and Council are working hard to keep it that way in Future years.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional information may be addressed to:

City Finance Department
City of Moultrie
P. O. Box 3368
Moultrie, Georgia 31776

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and cash equivalents	$ 3,867,220	$ 8,651,648	$ 12,518,868	$ 84,978
Investments	13,792,189	38,615,159	52,407,348	-
Accounts receivable, net	3,927,427	4,359,387	8,286,814	-
Inventories	83,211	1,426,961	1,510,172	-
Prepaid insurance	206,692	104,710	311,402	2,290
Prepayment on equipment	1,117,584	-	1,117,584	-
Internal balances	881,990	(881,990)	-	-
Due from component unit	101	235,000	235,101	-
Restricted assets:				
Restricted cash	12,691,768	-	12,691,768	144,933
Investment in SGGSA	-	3,298,812	3,298,812	-
Lease receivable	-	-	-	927,933
Other noncurrent assets	-	-	-	30,549
Capital assets:				
Land and other nondepreciable assets	1,425,346	504,340	1,929,686	311,895
Construction in progress	3,087,183	683,462	3,770,645	-
Other capital assets, net of accumulated depreciation	23,857,657	40,509,525	64,367,182	657,761
Total assets	64,938,368	97,507,014	162,445,382	2,160,339
Deferred outflows of resources related to pensions	2,264,171	1,154,994	3,419,165	-
Total assets and deferred outflows of resources	67,202,539	98,662,008	165,864,547	2,160,339

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Accounts payable and accrued expenses	795,339	3,197,192	3,992,531	19,553
Due to primary government	-	-	-	235,101
Unearned revenue	2,855,379	372,827	3,228,206	-
Customer deposits	-	1,031,547	1,031,547	-
Long-term liabilities:				
Net pension liability	2,620,875	1,336,954	3,957,829	-
Due within one year	122,242	591,597	713,839	135,000
Due in more than one year	115,899	15,558,113	15,674,012	790,000
Total liabilities	6,509,734	22,088,230	28,597,964	1,179,654
Deferred inflows of resources:				
Deferred inflows - lease	-	-	-	927,933
Deferred inflows - pensions	1,045,760	533,461	1,579,221	-
Total deferred inflows of resources	1,045,760	533,461	1,579,221	927,933
Total liabilities and deferred inflows of resources	7,555,494	22,621,691	30,177,185	2,107,587
NET POSITION				
Net investment in capital assets	28,155,195	25,530,831	53,686,026	44,656
Restricted for:				
Community development	320,525	-	320,525	-
Public safety	13,273	-	13,273	-
Capital projects	9,826,106	-	9,826,106	-
Unrestricted	21,331,946	50,509,486	71,841,432	8,096
Total net position	$ 59,647,045	$ 76,040,317	$ 135,687,362	$ 52,752

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Function/Programs:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Unit
PRIMARY GOVERNMENT:								
Governmental activities:								
General government	2,793,199	$ 916,137	$ 337,097	$ -	$ (1,539,965)		$ (1,539,965)	
Judicial	356,762	379,309	-	-	22,547		22,547	
Public safety	7,282,842	27,357	209,376	898,047	(6,148,062)		(6,148,062)	
Public works	2,943,801	-	39,093	3,776,138	871,430		871,430	
Community development	1,334,567	65,508	55,807	-	(1,213,252)		(1,213,252)	
Interest - general long-term debt	7,499	-	-	-	(7,499)		(7,499)	
Total governmental activities	14,718,671	1,388,311	641,373	4,674,185	(8,014,802)		(8,014,802)	
Business-type activities:								
Water and sewer	6,101,441	6,952,317	-	-	-	850,876	850,876	
Electric	20,292,133	21,556,914	-	-	-	1,264,781	1,264,781	
Broadband	525,546	764,947	-	-	-	239,401	239,401	
Gas	2,249,521	2,753,037	-	-	-	503,516	503,516	
Solid waste	2,694,707	3,216,349	-	-	-	521,642	521,642	
Mass transit	55,444	8,125	-	-	-	(47,319)	(47,319)	
Airport	945,611	1,169,465	-	-	-	223,854	223,854	
Total business-type activities	32,864,403	36,421,154	-	-	-	3,556,751	3,556,751	
Total primary government	$ 47,583,074	$ 37,809,465	$ 641,373	$ 4,674,185	(8,014,802)	3,556,751	(4,458,051)	
COMPONENT UNIT								
Downtown Development Authority	$ 179,386	$ 198,692	$ -	$ -				$ 19,306

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

		Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Unit
General revenues:								
Taxes:								
Property taxes, levied for general purposes					3,902,083	-	3,902,083	-
Other taxes					2,701,510	-	2,701,510	-
Investment income					509,601	858,087	1,367,688	511
Gain on disposal of capital assets					96,984	197,670	294,654	-
Other revenue					1,904,915	-	1,904,915	
Total general revenues					9,115,093	1,055,757	10,170,850	511
Capital contributions					(105,363)	105,363	-	-
Transfers, net					4,550,858	(4,550,858)	-	-
Total general revenues and transfers					13,560,588	(3,389,738)	10,170,850	511
Change in net position					5,545,786	167,013	5,712,799	19,817
Net position - beginning					54,101,259	75,873,304	129,974,563	32,935
Net position - ending					$ 59,647,045	$ 76,040,317	$ 135,687,362	$ 52,752

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 3,867,220	$ -	$ 3,867,220
Accounts receivable, net	249,547	-	249,547
Property tax receivable	3,424,941	-	3,424,941
Intergovernmental receivables	-	186,471	186,471
Prepaid insurance	194,915	1,267	196,182
Due from other funds	6,560,917	415,854	6,976,771
Restricted assets:			
Cash and cash equivalents	-	12,691,768	12,691,768
Investments	13,792,189	-	13,792,189
Total assets	$ 28,089,729	$ 13,295,360	$ 41,385,089
LIABILITIES AND DEFERRED INFLOWS			
OF RESOURCES			
Liabilities			
Accounts payable	$ 246,536	$ 225,548	$ 472,084
Accrued expenses	260,014	5,545	265,559
Unearned revenue	-	2,855,379	2,855,379
Due to other funds	5,510,993	47,717	5,558,710
Total liabilities	6,017,543	3,134,189	9,151,732
Deferred inflows of resources			
Deferred revenue - property taxes	2,148,916	-	2,148,916
Deferred revenue - other	162,832	-	162,832
Total deferred inflows of resources	2,311,748	-	2,311,748
Total liabilities and deferred inflows of resources	8,329,291	3,134,189	11,463,480
FUND BALANCES			
Nonspendable			
Prepaid insurance	194,915	1,267	196,182
Restricted for:			
Community development	-	320,525	320,525
Public safety	-	13,273	13,273
Capital projects	-	9,826,106	9,826,106
Unassigned	19,565,523	-	19,565,523
Total fund balances	19,760,438	10,161,171	29,921,609
Total liabilities, deferred inflows of resources and fund balances	$ 28,089,729	$ 13,295,360	$ 41,385,089

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Fund Balance - Total Governmental Funds	$	29,921,609
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		28,200,182
Amount paid in advance for purchase an assets is reported as a use of current of resources in the fund statements but is reported as an asset in the govenmental activities.		1,117,584
Long-term liabilities and related deferred revenues and costs are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases		(208,106)
Compensated absences		(30,034)
Net pension liability		(1,694,140)
Deferred outflows of resources - pensions		1,463,566
Deferred inflows of resources - pensions		(675,982)
Deferred revenue - property taxes		2,148,916
Deferred revenue - franchise fees		162,832
An internal service fund is used by management to charge the costs of the City's services to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position		(759,382)
Net position of governmental activities	$	59,647,045

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	$ 3,636,755	$ -	$ 3,636,755
Other taxes	2,238,441	411,432	2,649,873
Licenses and permits	793,374	-	793,374
Fines and forfeitures	379,309	-	379,309
Intergovernmental	639,039	4,457,427	5,096,466
Charges for services	141,969	-	141,969
Contributions and donations	24,197	-	24,197
Investment income	473,553	182,345	655,898
Reimbursement for damaged property	4,732	-	4,732
Other revenues	1,965,081	62,091	2,027,172
Total revenues	10,296,450	5,113,295	15,409,745
EXPENDITURES			
Current:			
General government	2,306,442	-	2,306,442
Judicial	330,836	21,622	352,458
Public safety	6,886,338	30,377	6,916,715
Public works	2,079,600	-	2,079,600
Community development	565,543	745,142	1,310,685
Capital outlays:			
General government	120,426	-	120,426
Public safety	248,459	1,147,657	1,396,116
Public works	261,304	3,203,217	3,464,521
Debt service	112,587	-	112,587
Total expenditures	12,911,535	5,148,015	18,059,550
Excess (deficiency) of revenues over (under) expenditures	(2,615,085)	(34,720)	(2,649,805)
OTHER FINANCING SOURCES			
Transfers, net	4,775,466	(276,852)	4,498,614
Proceeds - disposal of capital assets	112,809	-	112,809
Total other financing resources	4,888,275	(276,852)	4,611,423
Net change in fund balances	2,273,190	(311,572)	1,961,618
Fund balances - beginning, restated	17,487,248	10,472,743	27,959,991
Fund balances - ending	$ 19,760,438	$ 10,161,171	$ 29,921,609

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balances - total governmental funds	$	1,961,618
Governmental funds report capital outlays as expenditures while govermental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Assets capitalized		4,946,356
Depreciation expense		(1,232,490)
Basis in capital assets disposed of		(15,825)
The issurance 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 the governmenal funds. Neither transactions has any effect on net position. Also, govermental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.		
Debt payments made		105,088
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in deferred revenue over prior year.		
Deferred revenue - property taxes and franchise taxes		316,965
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. This the amount of the change in expenses over the prior year.		
Compensated absences		35,827
Pension cost		(271,286)
An internal service fund is used by management to charge the costs of the City's services to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities in the statement of net position.		(300,467)
Change in net position of governmental activities	$	5,545,786

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash and cash equivalents	$ 3,850,350	$ 2,608,284	$ 2,193,014	$ 8,651,648	$ -
Investments	1,907,417	30,500,056	-	32,407,473	-
Accounts receivable, net	878,330	2,916,275	407,805	4,202,410	66,468
Sales tax receivable	156,977	-	-	156,977	-
Due from other funds	2,150,509	2,295,661	4,549,314	8,995,484	5,279,298
Due from component unit	235,000	-	-	235,000	101
Inventories	270,249	1,086,772	69,940	1,426,961	83,211
Prepaid insurance	49,277	16,060	39,373	104,710	10,510
Total current assets	9,498,109	39,423,108	7,259,446	56,180,663	5,439,588
Noncurrent assets:					
Investment in SGGSA	-	-	3,298,812	3,298,812	-
Other investments	3,814,834	-	2,392,852	6,207,686	-
Capital assets:					
Land	74,985	412,569	16,786	504,340	-
Construction in progress	-	-	683,462	683,462	-
Other capital assets, net of accumulated depreciation	31,910,570	3,999,755	4,599,200	40,509,525	170,003
Total noncurrent assets	35,800,389	4,412,324	10,991,112	51,203,825	170,003
Total assets	45,298,498	43,835,432	18,250,558	107,384,488	5,609,591
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows from pensions	197,627	471,161	486,206	1,154,994	800,605
Total deferred outflows of resources	197,627	471,161	486,206	1,154,994	800,605
Total assets and deferred outflows of resources	$ 45,496,125	$ 44,306,593	$ 18,736,764	$ 108,539,482	$ 6,410,196

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
LIABILITIES					
Current liabilities:					
Accounts payable	$ 372,780	$ 1,733,579	$ 304,152	$ 2,410,511	$ 31,316
Accrued expenses	13,785	35,123	31,131	80,039	26,380
Due to other governments	-	-	706,642	706,642	-
Unearned revenue	-	-	372,827	372,827	-
Notes payable, current	456,649	-	-	456,649	-
Bonds payable, current	75,337	-	-	75,337	-
Capital leases payable, current	-	-	59,611	59,611	-
Customer deposits	-	-	1,031,547	1,031,547	-
Due to other funds	4,638,831	2,517,429	2,721,214	9,877,474	5,815,369
Total current liabilities	5,557,382	4,286,131	5,227,124	15,070,637	5,873,065
Noncurrent liabilities:					
Bonds payable, net of current portion	8,881,066	-	-	8,881,066	-
Notes payable, net of current portion	6,584,948	-	-	6,584,948	-
Capital leases payable, net of current portion	-	-	92,099	92,099	-
Net pension liability	228,762	545,389	562,803	1,336,954	926,735
Total liabilities	21,252,158	4,831,520	5,882,026	31,965,704	6,799,800
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	91,279	217,617	224,565	533,461	369,778
Total deferred inflows of resources	91,279	217,617	224,565	533,461	369,778
Total liabilities/def. inflows of resources	21,343,437	5,049,137	6,106,591	32,499,165	7,169,578
NET POSITION					
Net investment in capital assets	15,987,555	4,412,324	5,130,952	25,530,831	170,003
Unrestricted	8,165,133	34,845,132	7,499,221	50,509,486	(929,385)
Total net position	$ 24,152,688	$ 39,257,456	$ 12,630,173	$ 76,040,317	$ (759,382)

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES					
Utility revenue	$ 6,877,350	$ 21,520,467	$ 5,919,613	$ 34,317,430	$ -
Charges for services	7,631	-	-	7,631	1,353,182
Income from joint venture	-	-	763,627	763,627	-
Intergovernmental	-	-	967,656	967,656	-
Rental income	-	-	38,243	38,243	-
Excise tax	-	24,003	-	24,003	-
Other revenue	67,336	12,444	222,784	302,564	3,180
Total operating revenues	6,952,317	21,556,914	7,911,923	36,421,154	1,356,362
OPERATING EXPENSES					
Salaries and wages	-	1,383,804	1,243,688	2,627,492	874,690
Operating, administrative, and maintenance	3,388,705	18,362,845	4,727,818	26,479,368	788,823
Depreciation	2,069,410	489,915	494,862	3,054,187	45,560
Total operating expenses	5,458,115	20,236,564	6,466,368	32,161,047	1,709,073
Operating income (loss)	1,494,202	1,320,350	1,445,555	4,260,107	(352,711)
NONOPERATING INCOME (EXPENSES)					
Interest/investment income	48,292	781,643	28,152	858,087	-
Gain on investments	-	193,011	-	193,011	-
Issuance costs	(650)	-	-	(650)	-
Interest expense	(492,937)	-	(4,461)	(497,398)	-
Gain (loss) on disposition of capital assets	(149,739)	(248,580)	197,670	(200,649)	-
Income before transfers and capital contributions	899,168	2,046,424	1,666,916	4,612,508	(352,711)
Capital contributions	105,363	-	-	105,363	-
Transfers, net	(947,894)	(2,395,347)	(1,207,617)	(4,550,858)	52,244
Change in net position	56,637	(348,923)	459,299	167,013	(300,467)
Net position, beginning of year, restated	24,096,051	39,606,379	12,170,874	75,873,304	(458,915)
Net position (deficit), end of year	$ 24,152,688	$ 39,257,456	$ 12,630,173	$ 76,040,317	$ (759,382)

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 6,873,335	$ 21,244,943	$ 7,587,369	$ 35,705,647	$ 1,345,851
Other receipts	-	-	194,184	194,184	-
Intergovernmental receipts (payments)	(2,465,243)	1,318,446	1,152,420	5,623	(28,769)
Payments to employees (or for their benefit) for services provided	36,633	(1,296,469)	(1,153,567)	(2,413,403)	(726,290)
Payments to suppliers for goods or services	(3,484,157)	(18,177,500)	(4,672,934)	(26,334,591)	(747,637)
Net cash provided (used) by operating activities	960,568	3,089,420	3,107,472	7,157,460	(156,845)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers/capital contributions to other funds, net	(947,894)	(2,395,347)	(1,207,617)	(4,550,858)	52,244
Net cash provided (used) by noncapital financing activities)	(947,894)	(2,395,347)	(1,207,617)	(4,550,858)	52,244
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from the sale of assets	9,100	6,900	218,138	234,138	-
Acquistion and construction of capital assets	(504,780)	(415,649)	(1,607,593)	(2,528,022)	(25,798)
Issuance costs	(650)	-	-	(650)	-
Principal paid on capital debt	(522,078)	-	(58,076)	(580,154)	-
Interest paid on capital debt	(493,304)	-	(4,461)	(497,765)	-
Net cash provided (used) by noncapital financing activities	(1,511,712)	(408,749)	(1,451,992)	(3,372,453)	(25,798)

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business Type Activities - Enterprise Funds				Governmental Activity
	Water and Sewer Fund	Electric Revenue Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
CASH FLOWS FROM INVESTING ACTIVITIES					
Change in Investments	(5,722,251)	(8,539,110)	(1,957,153)	(16,218,514)	-
Interest/investment income	48,292	781,643	28,152	858,087	-
Net cash provided by investing activities	(5,673,959)	(7,757,467)	(1,929,001)	(15,360,427)	-
Net increase in cash	(7,172,997)	(7,472,143)	(1,481,138)	(16,126,278)	(130,399)
Balances - beginning	11,023,347	10,080,427	3,674,152	24,777,926	130,399
Balances - ending	$ 3,850,350	$ 2,608,284	$ 2,193,014	$ 8,651,648	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ 1,494,202	$ 1,320,350	$ 1,445,555	$ 4,260,107	(352,711)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	2,069,410	489,915	494,862	3,054,187	45,560
Non-cash increase in investment in joint venture	-	-	(763,627)	(763,627)	-
Change in assets and liabilities:					
Receivables, net	(78,982)	(311,971)	423,194	32,241	(10,511)
Due to/from other funds	(2,465,243)	1,318,446	1,574,836	428,039	(28,736)
Customer deposits	-	-	(91,813)	(91,813)	-
Prepaid expenses	(2,083)	(979)	(805)	(3,867)	(924)
Pension related balances	36,633	87,335	90,121	214,089	148,400
Accounts payable and accrued expenses	(93,141)	374,567	(58,761)	222,665	11,581
Inventory	(228)	(188,243)	(6,090)	(194,561)	30,496
Net cash provided by operating activities	$ 960,568	$ 3,089,420	$ 3,107,472	$ 7,157,460	$ (156,845)

Noncash activity:

Capital assets with a cost of $23,539,760 and accumulated depreciation of $23,380.921 were disposed of.

See the Statement of Cash Flows - Nonmajor Enterprise Funds for non cash activity of the nonmajor enterprise funds.

The SPLOST fund funded construction in progress, with a cost of $105,363, on behalf of the Water and Sewer fund.

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2023

	Pension Trust Fund
ASSETS	
Cash and cash equivalents	$ 205,762
Certificate of deposit	247,620
Investments:	
U.S. Government securities	2,532,181
Corporate bonds	1,669,975
Municipal bonds	1,026,400
Equities	5,725,276
Asset-backed securities	488,307
Receivables:	
Investment income	29,108
Total assets	11,924,629
LIABILITIES	
Total liabilities	-
NET POSITION	
Held in trust for pension benefits (a schedule of funding progress is presented in the notes to the financial statements)	$ 11,924,629

See accompanying notes to the basic financial statements.

CITY OF MOULTRIE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Fund
Additions	
Contributions:	
Employer	$ 140,606
Total contributions	140,606
Investment income (loss):	
Net gain in fair value of investments	744,765
Interest and dividends	358,209
Less investment expenses	(109,460)
Net investment income	993,514
Total additions	1,134,120
Deductions	
Pension benefits paid	1,084,860
Total deductions	1,084,860
Net increase	49,260
Net position held in trust for pension benefits, beginning of year	11,875,368
End of year	$ 11,924,628

See accompanying notes to the basic financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Moultrie, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United State of America as applied to government 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 government's accounting policies are described below.

Reporting Entity

The City of Moultrie, Georgia was created in December 1879, under the provisions of an act by the General Assembly of the State of Georgia. The City's Charter provides for a Council/Manager form of government. The City Manager is the head of the administrative branch of the government and is responsible for the day-to-day operations of the city government. The legislative authority of the City is vested in the mayor and six council members with an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire), public works, airport, animal control, emergency management, and public utilities (water and sewer, gas electric, solid waste, broadband services and mass transit).

The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be the City of Moultrie, Georgia (the primary government) and its component unit. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of the component unit included in the City's reporting unit as a discreetly presented component unit.

Downtown Development Authority of the City of Moultrie

The Downtown Development authority of the City of Moultrie (the Authority) plans and develops the downtown area of the City in order to attract new business and residents. The City possesses the authority to review, approve and revise the budget and governs collection and disbursement of funds. The Authority is reported as a proprietary fund type component unit. Separate financial statements are not issued.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Changes in Net Position) report information on all non-fiduciary activities of the primary government and its component unit. As a rule, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

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

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

The emphasis in the fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expense of either fund category or the governmental and enterprise combined) for the determination of major funds. The City's major funds are the General Fund, Water and Sewer Fund, and Electric Revenue Fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government – Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements.

These statements are reported using the *economic measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and the fiduciary fund financial statements. Accordingly, all the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function. 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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Certain eliminations have been made as prescribed by GASB Statement of Accounting Standards No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* in regard to interfund activities, payable, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however those transactions between governmental and business-type activities have not been eliminated. 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.

Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The City considers revenues to be available if they are collected within sixty days after year end. Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, and investment income. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred. However, debt service expenditure, as well as expenditure related to compensated absences and claims and judgements, are recorded only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following governmental fund types:

The *General Fund* is the principal fund of the City and is used to account for all activities not otherwise accounted for by a specified fund.

The *Special Revenue Funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The *Capital Projects Funds* are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. These projects are financed through budget appropriations, revenue bonds, sales tax proceeds and general obligation sales tax, and capital leases.

Proprietary Funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise Funds account for activities that are usually self-sustaining, principally through user charges for services rendered.

The City reports the following significant enterprise funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The *Electric Revenue Fund* is used to account for equipment services for the departments of the City on a cost reimbursement basis.

The *Gas Fund* is used to account for the provision of gas services to residents of the City. All activities necessary to provide such services are accounted for in this fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Fiduciary Fund* is reported using the *economic resources measurement focus* and the *accrual basis of accounting* and is used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City reports the following fiduciary fund:

> The *Pension Trust Fund* is used to account for the activities of the City's Employee Retirement Plan, which accumulates resources for pension benefit payments to qualitied City employees.

Component Units: All component units are reported using the *economic resources measurement focus basis* and the *accrual basis of accounting.* Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored through subsequent years' budget appropriations.

Cash and Cash Equivalents

Cash and cash equivalents, as reported in the statements of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less.

Investments

Statues authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies and the State of Georgia, other countries, municipal corporations and political subdivisions of the State of Georgia, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. The fair values of investments in external investment pools are the same as the value of the pool shares.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Receivables are Due from Other Governments represent funds to be received from other local governments, state grant in aid, state contracts, or federal funds. No allowance is deemed necessary to these receivables.

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

Inventories

Inventory in enterprise funds is valued at the lower of cost or market, using the first -in, first-out method. Inventory in the General Fund is valued at cost and consists of expendable supplies held for consumption. The City accounts for inventory on the purchase basis.

Prepaid items

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

Interfund Receivables/Payables

Outstanding balances between funds at the end of the fiscal year are referred to as either “Due From Other Funds” or Due To 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”.

Restricted Assets

Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds, and Capital Projects Funds are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable statues or agreements. The Water and Sewer Fund, based on certain bond covenants, is required to establish and maintain prescribed amounts of resources, consisting of cash and temporary investments that can be used only to service outstanding debt.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) acquired prior to September 30, 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold at $5,000 for reporting capital assets and $25,000 for infrastructure assets. All purchased capital assets are valued at cost where historical records are available. and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. No interest was capitalized during the year.

Depreciation is provided on the straight-line method over the following estimated useful lives:

Governmental Assets	
Buildings and improvements	50 years
Machinery and equipment	5 -15 years
Infrastructure	25 years
Business-type Assets	
Buildings and improvements	5 - 50 years
Improvements other than buildings	2 - 50 years
Machinery and equipment	3 - 50 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future periods and thus, will not be recognized as an outflow or resources (expense) until then. The City has two items that quality for reporting in this category. The first is the deferred charge on refunding in the government-wide statement of net position and the Proprietary Funds Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is outflows from changes in the net pension liability.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the City will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of the net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statement of net position report unavailable revenues from property taxes, grants and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Leases that Do Not Transfer Ownership of the Underlying Asset

Lessor. 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 the lease payments received. The deferred inflow of resources is initially measured at the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, plus certain initial direct costs. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases receivable 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 as the discount rate. When the interest rate charged is not specified, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments due to the /city and over the term of the lease and residual value guarantee payments that are fixed in substance.

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

Lessee. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be paid during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured at 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 the shorter of the useful life of the asset or the lease term.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgments related to the leases payable include how the City determines (1) the discount rate if uses to discount expected lease payments to present value, (2) lease term, (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 non-cancellable 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 assets and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Compensated Absences

City employees accrue vacation in different amounts, according to the number of years of service. Employees under ten years of service accrue two weeks of vacation each year. Upon reaching ten years of service, employees can accrue three weeks per year. These days can be taken either by time off or by payment upon retirement. (Employees who are terminated forfeit all vacation time they have not taken at the time of termination.)

Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination if termination is by manner other than death or retirement. Employees can accrue up to a maximum of 720 hours of sick leave and will be paid up to 50% of the hours accrued at the time or retirement based on the age of the employee at retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds when it is expected to be liquidated with expendable available resources.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to GASB Statement of Accounting Standards No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* the city does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the City's 457 plan are not reported in the City's financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, proprietary fund types in the fund financial statements, long-term debt, other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight- line method, which is not significantly different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Equity

Beginning with fiscal year 2011, the city implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a formal action of the City council through adoption of a resolution. Only the City Council may modify or rescind the commitment;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balances – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at the end of the year. Encumbrances are re-appropriated in the following year, except for encumbrances in the Capital Projects Funds which are continuing. Encumbrances do not represent GAAP expenditures. On September 30, 2023, there were no encumbrances outstanding.

Use of Estimates

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

Accounting Pronouncements Adopted

Effective October 1, 2022, the City adopted Governmental Accounting Standards (GASB) Statement No. 87, *Leases*. The primary objective of this statement is to better meet the information needs of the users by improving accounting and financial reporting of leases by governments. This statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The adoption of this accounting pronouncement did not require a restatement of the beginning net position.

NOTE 2 – BUDGETS AND BUDETARY ACCOUNTING

Budget Process

The annual budget document is the financial plan for the operation of the City. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the City's financial position. An annual operating budget is prepared for the General Fund, Special Revenue Fund, and Enterprise funds.

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

1) Budget requests are completed in July.
2) Proposed budgets are reviewed and prepared by the Finance Director and approved by the City Manager before submission to the Mayor and the City Council in August.
3) Public hearings on the proposed budget are held in August and September.
4) The budget is legally adopted by the Mayor and the City Council in September.
5) All budget revisions must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of $5,000 between object categories within departments requires the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the object category level. Revisions that alter the total expenditures of any department or fund must be approved by the City Council.
6) Formal budgetary integration is employed as management control device during the year for the General Fund, Special Revenue Fund, Capital Projects Funds, and the Enterprise Funds.
7) Budgets for the General Fund, Special Revenue Fund, and the Enterprise Funds are adopted on a basis consistent with accounting principles generally accepted in the United State of America.

Capital Projects Budget

The construction of certain major capital facilities and improvements, which are accounted for by the City in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the City Council and are generally subject to specific provisions of voter referendums, State Statues, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

Deficit Fund Balances/Net Position in Individual Funds

The following funds had deficit net positions as of September 30, 2023:

Internal Service Fund - $759,382
Utilities Deposit Fund - $23,998

The net position deficits above are expected to be reduced through interfund charges for the Internal Service Fund and through transfers from reserve and utility funds for the Utility Deposit Fund.

NOTE 3 – DEPOSITS AND INVESTMENTS – PRIMARY GOVERNMENT

Total primary government deposits and investments as of September 30, 2023, are summarized as follows:

	Deposits with Financial Institutions	Investments	Total
Cash and cash equivalents	$ 12,518,868	$ -	$ 12,518,868
Restricted cash and cash equivalents	12,691,768	-	12,691,768
Investments	-	55,706,160	55,706,160
Total	$ 25,210,636	$ 55,706,160	$ 80,916,796

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State statues 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 subdivision of the State of Georgia.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits

The City does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the City 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 statues require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government or bond of public authorities, counties or municipalities. As of September 30, 2023, the City had no uncollateralized deposits.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (Other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Primary government		
Amounts as presented on the entity-wide Statement of Net Position		
Governmental activities:		
Cash and cash equivalents	$	3,867,220
Restricted cash and cash equivalents		12,691,768
Investments		13,792,189
Business-type activities:		
Cash and cash equivalents		8,651,648
Investments		38,615,159
Total primary government	$	77,617,984
Amounts as presented on the Statement of Fiduciary Net Position		
Cash and cash equivalents	$	205,762
Investments		11,718,867
Total primary government	$	11,924,629
Component unit:		
Cash and cash equivalents	$	84,978
Restricted cash and cash equivalents		144,933
Total component unit	$	229,911

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The City's investment policies are authorized by State Statutes and City Ordinances. Permissible Investments include securities of the United States Treasury, agencies and instrumentalities, repurchase agreements, and the Georgia Fund 1 investment pool regulated by the Georgia Office of the State Treasurer.

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is a 2a-7 like pool. 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 ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) monthly and determines participant's shares sold and redeemed based on $1.00 per share.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City more than its actual costs to serve the City, the City can elect to have their funds deposited in MEAG's voluntary flexible operating account fund in lieu of receiving a refund. This voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest.

The City is authorized to direct the MEAG to retain or use the discretionary funds. On September 30, 2023, the City's balance in the discretionary stabilization fund was $17,658,557.

Investments are categorized into three categories of credit risk:

1) Insured or registered, or securities held by the City or its agent in the City's name.
2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
3) Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the City's name.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

See below for the categories and credit and interest rate of the City's investments as of September 30, 2023:

	Category			Credit	Average
	1	2	Fair Value	Quality	Maturities
General Fund					
Certificates of deposit	$ 13,792,189	$ -	$ 13,792,189	NR	1-4 years
Pension Trust Fund					
Certificate of deposit	247,620	-	247,620	NR	1-4 years
U.S. Gov. securities	2,532,181	-	2,532,181	AAA	1-10 years
Corporate bonds	1,669,975	-	1,669,975	AA+-BBB+	1-4 years
Municipal bonds	-	1,026,400	1,026,400	AA+-A+	1-10 years
Equities - common stock	5,725,276	-	5,725,276	NR	N/A
Mutual funds	-	-	-	NR	N/A
Asset-backed securities	-	488,307	488,307	NR	1-10+ years
Proprietary Funds					
Municipal Comp. Trust	-	30,500,056	30,500,056	NR	1-10+ years
Total	$ 23,967,241	$ 32,014,763	$ 55,982,004		

NOTE 4 – RECEIVABLES AND TAX REVENUE

Property Tax

Property taxes were levied in September 2022 and payable before December 2022 for the fiscal year 2023 tax. Property tax revenues are recognized when levied to the extent they result in current receivables. The City's fiscal year 2024 tax was levied on September 30, 2023, and was recorded as taxes receivable in the General Fund. The portion not collected within 60 days of year end is reported as deferred revenue.

The tax rate levied during the fiscal year 2023 for the City's operations was 7.756 mills (mill equals $1 per thousand dollars of assessed value).

The City maintains no allowance for uncollectible property taxes as of September 30, 2023.

Sales Tax

Colquitt county, Georgia has levied four 1% Special Purpose Local Option Sales Tax Programs (SPLOST) which were passed by referendum in 1994, 2001, 2006, 2013 and 2018. The proceeds from these sales tax programs are used to finance various capital projects. The SPLOST programs are administered by Colquitt County, Georgia.

NOTE 4 – RECEIVABLES AND TAX REVENUE (CONTINUED)

Receivables

Receivables as of September 30, 2023, are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables:			
Accounts			
General Fund	$ 249,547	$ -	$ 249,547
Internal Service Fund	66,468	-	66,468
Water and Sewer Fund	-	1,780,482	1,780,482
Electric Revenue Fund	-	4,442,477	4,442,477
Nonmajor enterprise funds	-	3,051,573	3,051,573
Property tax			
General Fund	3,424,941	-	3,424,941
Intergovernmental			
Nonmajor governmental funds	186,471	-	186,471
Sales tax			
Water and Sewer Fund	-	156,977	156,977
Gross receivables	3,927,427	9,431,509	13,358,936
Less allowance for uncollectibles			
Water and Sewer Fund	-	(902,152)	(902,152)
Electric Revenue Fund	-	(1,526,202)	(1,526,202)
Nonmajor enterprise funds	-	(2,643,768)	(2,643,768)
	-	(5,072,122)	(5,072,122)
Total net receivables	$ 3,927,427	$ 4,359,387	$ 8,286,814

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS

Interfund Receivables and Payables

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months. The composition of interfund receivables and payables as of September 30, 2023, is as follows:

	Interfund Balances		
	Receivables	Payables	Net
Governmental activities:			
General fund:			
Nonmajor governmental funds	$ 33,285	$ (14,278)	$ 19,007
Internal Service Fund	5,816,694	(3,933,511)	1,883,183
Water and Sewer Fund	168,855	-	168,855
Electric Revenue Fund	542,083	(720,000)	(177,917)
Nonmajor enterprise funds	-	(843,204)	(843,204)
Nonmajor Governmental Funds:			
General Fund	14,278	(33,285)	(19,007)
Nonmajor governmental funds	100	(100)	-
Internal Service Fund	-	(13,255)	(13,255)
Water and Sewer Fund	392,416		392,416
Electric Revenue Fund	801	(1,077)	(276)
Nonmajor enterprise funds	8,259	-	8,259
Internal Service Fund:			
General Fund	3,933,511	(5,816,694)	(1,883,183)
Nonmajor governmental funds	13,255	-	13,255
Water and Sewer Fund	121,699	(1,711)	119,988
Electric Revenue Fund	74,562	-	74,562
Nonmajor enterprise funds	1,139,307	-	1,139,307
Total governmental activities	12,259,105	(11,377,115)	881,990
Business-type activities:			
Water and Sewer Fund:			
General Fund	-	(168,855)	(168,855)
Nonmajor governmental funds	-	(392,416)	(392,416)
Internal Service Fund	1,711	(121,699)	(119,988)
Electric Revenue Fund	1,899,845	-	1,899,845
Nonmajor enterprise funds	248,953	(3,955,861)	(3,706,908)
Electric Revenue Fund:			
General Fund	720,000	(542,083)	177,917
Nonmajor governmental funds	1,077	(801)	276
Internal Service Fund	-	(74,562)	(74,562)
Water and Sewer Fund	-	(1,899,845)	(1,899,845)
Nonmajor enterprise Funds	1,574,584	(138)	1,574,446

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS (CONTINUED)

	Interfund Balances		
	Receivables	Payables	Net
Business-type activities (Continued):			
Nonmajor enterprise Funds:			
General Fund	843,204	-	843,204
Nonmajor governmental funds	-	(8,259)	(8,259)
Internal Service Fund	-	(1,139,307)	(1,139,307)
Water and Sewer Fund	3,955,861	(248,953)	3,706,908
Electric Revenue Fund	138	(1,574,584)	(1,574,446)
Nonmajor enterprise funds	346	(346)	-
Total business-type activities	9,245,719	(10,127,709)	(881,990)
Total	$ 21,504,824	$ (21,504,824)	$ 0

The composition of receivables and payables between the City and its component unit as of September 30, 2023 is as follows:

	Receivables	Payables	Net
Component Unit			
Internal Service Fund			
Downtown Development Authority	$ 101	$ -	$ 101
Water & Sewer Fund:			
Downtown Development Authority	235,000	-	235,000
Downtown Development Authority			
Internal Service Fund	-	(101)	(101)
Water & Sewer Fund	-	(235,000)	(235,000)
Total	$ 235,101	$ (235,101)	$ -

Interfund Transfers and Capital Contributions

Interfund transfers and capital contributions are used to move revenues from the fund that Statue of budget requires to collect them to the fund that the Statue or budget requires to expend them and to use unrestricted revenues collected in the General Fund and Enterprise Funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS/CAPITAL CONTRIBUTIONS (CONTINUED)

Interfund transfers and capital contributions for the year ended September 30, 2023, consisted of the following:

	Transfers		
	In	Out	Net
Governmental activities:			
General fund:			
Nonmajor governmental funds	$ 50,663	$ (15,000)	$ 35,663
Water and Sewer Fund	844,598	-	844,598
Electric Revenue Fund	2,773,480	-	2,773,480
Nonmajor enterprise funds	1,121,725	-	1,121,725
Nonmajor Governmental Funds:			
General Fund	15,000	(50,663)	(35,663)
Internal service fund	-	(52,244)	(52,244)
Water and Sewer Fund	-	(218,945)	(218,945)
Electric Revenue Fund	15,000	-	15,000
Nonmajor enterprise funds	15,000	-	15,000
Internal service fund			
Nonmajor governmental funds	52,244	-	52,244
Total governmental activities	4,887,710	(336,852)	4,550,858
Business-type activities:			
Water & Sewer Fund:			
General Fund	-	(844,598)	(844,598)
Nonmajor governmental funds	218,945	-	218,945
Electric Revenue Fund	-	(322,241)	(322,241)
Electric Revenue Fund:			
General Fund	-	(2,773,480)	(2,773,480)
Nonmajor governmental Funds	-	(15,000)	(15,000)
Water and Sewer Fund	322,241	-	322,241
Nonmajor enterprise funds	70,892	-	70,892
Nonmajor Enterprise Funds:			
General Fund	-	(1,121,725)	(1,121,725)
Nonmajor Governmental Funds	-	(15,000)	(15,000)
Electric Revenue Fund	-	(70,892)	(70,892)
Total business-type activities	612,078	(5,162,936)	(4,550,858)
Total	$ 5,499,788	$ (5,499,788)	$ -

	Capital Contributions		
	In	Out	Net
Governmental activities:			
Nonmajor Governmental Funds:			
Water and Sewer Fund	$ -	$ (105,362)	$ (105,362)
Business-type activities:			
Water & Sewer Fund:			
Nonmajor governmental Funds	105,362	-	105,362
Total	$ 105,362	$ (105,362)	$ -

NOTE 6 – CAPITAL ASSETS

The following is a summary of capital asset activity as of September 30, 2023:

	Beginning Balance	Additions	Retirements	Transfers/ Capital Contrib.	Ending Balance
Governmental activities:					
Capital assets not being depreciated					
Land and improvements	$ 1,419,670	$ 5,676	$ -	$ -	$ 1,425,346
Construction in progress	119,331	3,073,215	-	(105,363)	3,087,183
Total capital assets not being depreciated	1,539,001	3,078,891	-	(105,363)	4,512,529
Capital assets being depreciated					
Buildings and improvements	6,961,688	195,175	(658,158)	580,585	7,079,290
Machinery & equipment	9,273,074	994,135	(1,223,336)	(122,357)	8,921,516
Infrastructure	55,124,760	809,316	(1,702,227)	(458,228)	53,773,621
Total assets being depreciated	71,359,522	1,998,626	(3,583,721)	-	69,774,427
Less accumulated depreciation for:					
Buildings and improvements	(3,819,601)	(165,415)	632,260	(226,292)	(3,579,048)
Machinery & equipment	(6,444,477)	(517,492)	1,218,440	137,325	(5,606,204)
Infrastructure	(37,942,540)	(595,143)	1,717,198	88,967	(36,731,518)
Total accumulated depreciation	(48,206,618)	(1,278,050)	3,567,898	-	(45,916,770)
Total capital assets being depreciated, net	23,152,904	720,576	(15,823)	-	23,857,657
Governmental activities capital assets, net	$ 24,691,905	$ 3,799,467	$ (15,823)	$ (105,363)	$ 28,370,186
Business-type activities:					
Capital assets not being depreciated					
Land and improvements*	$ 504,340	$ -	$ -	$ -	$ 504,340
Construction in progress	1,653,980	388,570	(1,464,451)	105,363	683,462
Total capital assets not being depreciated	2,158,320	388,570	(1,464,451)	105,363	1,187,802
Capital assets being depreciated					
Buildings	5,996,668	89,800	(163,721)	-	5,922,747
Other improvements	90,245,861	2,270,266	(24,232,431)	-	68,283,696
Machinery & equipment	8,009,302	1,243,837	(1,291,605)	14,969	7,976,503
Total assets being depreciated	104,251,831	3,603,903	(25,687,757)	14,969	82,182,946

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Less accumulated depreciation for:					
Buildings	(3,951,635)	(154,706)	163,721	-	(3,942,620)
Other improvements	(55,186,552)	(2,360,252)	23,923,907	-	(33,622,897)
Machinery & equipment	(4,719,047)	(539,230)	1,165,342	(14,969)	(4,107,904)
Total accumulated depreciation	(63,857,234)	(3,054,188)	25,252,970	(14,969)	(41,673,421)
Total capital assets being depreciated, net	40,394,597	549,715	(434,787)	-	40,509,525
Total business-type activities capital assets net	$ 42,552,917	$ 938,285	$ (1,899,238)	$ 105,363	$ 41,697,327

* Restated

Depreciation expense was charged to divisions as follows:

Governmental activities:	
General government	$ 181,595
Public safety	258,226
Public works	829,994
Community development	8,235
Total depreciation expense - governmental activities	$ 1,278,050
Business-type activities	
Water and sewer	$ 2,069,410
Electric	489,915
Gas	53,880
Solid waste	296,986
Mass transit	54,720
Airport operations	89,277
Total depreciation expense - business-type activities	$ 3,054,188

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Component Unit

Capital asset activity for the Downtown Development Authority of the City of Moultrie, a discretely presented component unit, for the year ended September 30, 2023, is as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Component Unit:					
Business-type Activities					
Capital assets not being depreciated					
Land and improvements	$ 311,895	$ -	$ -		$ 311,895
Total capital assets not being depreciated	311,895	-	-		311,895
Capital assets being depreciated					
Buildings	1,930,788	7,878	-		1,938,666
Other improvements	58,418	-	-		58,418
Equipment	58,600	-			58,600
Total assets being depreciated	2,047,806	7,878	-		2,055,684
Less accumulated depreciation for:					
Buildings	(1,255,012)	(96,844)	-		(1,351,856)
Other improvements	(25,152)	(1,947)	-		(27,099)
Equipment	(10,596)	(8,372)			(18,968)
Total accumulated depreciation	(1,290,760)	(107,163)	-		(1,397,923)
Total capital assets being depreciated, net	757,046	(99,285)	-		657,761
Governmental activities capital assets, net	$ 1,068,941	$ (99,285)	$ -		$ 969,656

Leased Assets – Component Unit

On September 30, 2023, the amount of above assets leased to the Department of Labor by the Downtown Development Authority is $2,359,701, with accumulated depreciation of $1,397,923.

NOTE 7 – LONG-TERM DEBT

Revenue Bonds

The City issues bonds when the City pledges income derived from the acquired or constructed assets to pay debt service. The City's enterprise funds' revenue bonds outstanding at September 30, 2023, are as follows:

South Georgia Governmental Services Authority Revenue Bonds, Series 2012

The City of Moultrie South Georgia Governmental Services Authority Revenue Bonds (City of Moultrie Water and Sewer Projects), Series 2012 were issued September 18, 2012. The Series 2012 bonds were issued to provide funds to finance upgrades, refurbishment, renovations, and expansion of the City's wastewater treatment plant, and additions, improvements, and equipment for water and sewer system of the City and pay certain costs of issuing the bonds.

Description	Original Amount	Interest Rate	Due Date	Amount
Water and Sewer Fund:				
South Georgia Governmental Services Authority	$ 12,775,000	2.00-3.75%	2042	9,045,000
				$ 9,045,000
Unamortized discount/premium/loss				(88,597)
				8,956,403
Plus current portion of unamortized discount/premium/loss			4,663.00	
Less current portion			(80,000.00)	
Current portion, net				(75,337)
Long-term portion, net of unamortized discount/premium/loss				$ 8,881,066

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual debt service requirement to maturity of the Revenue Bonds on September 30, 2023, is as follows:

Year Ending September 30	Principal	Interest	Total
2024	$ 80,000	$ 330,798	$ 410,798
2025	85,000	328,557	413,557
2026	85,000	326,177	411,177
2027	90,000	323,543	413,543
2028	90,000	320,752	410,752
2029-2033	775,000	1,554,038	2,329,038
2034-2038	4,035,000	1,172,156	5,207,156
2039-2042	3,805,000	363,188	4,168,188
Total	$ 9,045,000	$ 4,719,209	$ 13,764,209

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B – Component Unit

The City's component unit's revenue bonds outstanding on September 30, 2023 are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Downtown Development Authority				
Series B	$ 2,410,000	4.92%	2028	$ 925,000
			Less current portion	(135,000)
			Long-term portion	$ 790,000

Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B

The Downtown Development Authority of Moultrie Taxable Revenue Series 2006 B bonds were issued to provide funds for the purpose of financing the acquisition, construction, installation and equipping of a building for lease to the Georgia Department of Labor. The facility will be leased by the Downtown Development Authority of Moultrie, as assignee of the City of Moultrie, Georgia to the Georgia Department of Labor for a period of twenty years.

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The Series 2006 B bonds are limited obligations of the Downtown Development Authority of Moultrie. The bonds are payable solely from payments to be made to the authority by the Georgia Department of Labor under the lease. The City has agreed, in the event of default by the Georgia Department of Labor, to levy an ad valorem tax at a rate not to exceed 3 mills upon all property located in the City subject to taxation for bond purposes.

The Series 2006 B revenue bond debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2024	$ 135,000	$ 45,510	$ 180,510
2025	145,000	38,868	183,868
2026	150,000	31,734	181,734
2027	155,000	24,354	179,354
2028	165,000	16,728	181,728
2029	175,000	8,610	183,610
Total	$ 925,000	$ 165,804	$ 1,090,804

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Other Long-Term Debt

On September 30, 2023, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to $3,384,500. The outstanding balance on September 30, 2023, was $570,616. The debt is being used for the rehabilitation of the existing wastewater treatment facility.

On September 30, 2023, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to $3,500,000. The outstanding balance on September 30, 2023, was $691,408. The debt is being used for the renovation of the existing wastewater treatment facility.

On September 30, 2023, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to $2,750.000. The outstanding balance on September 30, 2023, was $1,137,832. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities.

On September 30, 2023, the Water and Sewer Fund entered into an agreement with Georgia Environmental Facilities Authority whereby it may borrow up to $6,100,000. The outstanding balance on September 30, 2023, was $4,641,740. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities.

The Water and Sewer Fund note payable debt service requirements to maturities, including interest are as follows:

Year Ending June 30	Principal	Interest	Total
2024	$ 456,649	$ 146,146	$ 602,795
2025	466,792	136,002	602,794
2026	477,178	125,617	602,795
2027	487,812	114,982	602,794
2028	498,700	104,095	602,795
2029-2033	2,507,884	350,813	2,858,697
2034-2038	1,834,484	124,958	1,959,442
2039	312,098	3,333	315,431
Total	$ 7,041,597	$ 1,105,946	$ 8,147,543

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Financing Leases

The City has entered into several lease agreements as lessee for financing the acquisition of equipment and a fire station through the Georgia Municipal Association direct installment program. The lease agreements qualify as financing leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payments as of the date of their inception. These leases are being serviced by General Fund, Water and Sewer Fund and Solid Waste Fund payments with annual interest rates varying from 1.90% to 2.56%.

The following is an analysis of equipment leased under financing leases as of September 30, 2023:

	Governmental Activities	Business-Type Activities Solid Waste Fund
Vehicles and equipment	$ 774,523	$ 316,250
Less accumulated amortization	(367,168)	(96,063)
Carrying value	$ 407,355	$ 220,187
Current amortization	$ 51,633	$ 30,126

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments on September 30, 2023.

Year Ending September 30	Governmental Activities	Business-Type Activities Solid Waste Fund
2024	$ 111,427	$ 62,481
2025	66,684	62,481
2026	36,380	31,408
Total minimum lease payments	214,491	156,370
Less amount representing interest	(6,386)	(4,661)
	$ 208,105	$ 151,709

NOTE 7 – LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Financing leases	$ 313,193	$ -	$ (105,088)	$ 208,105	$ 107,242
Compensated absences	65,861	24,516	(60,342)	30,035	15,000
Total governmental actvities	$ 379,054	$ 24,516	$ (165,430)	$ 238,140	$ 122,242
Business-type activities:					
Bonds payable	$ 9,125,000	$ -	$ (80,000)	$ 9,045,000	$ 80,000
Less deferred amounts:					
Issuance discount	(93,260)	-	4,663	(88,597)	(4,663)
Total bonds payable	9,031,740	-	(75,337)	8,956,403	75,337
Notes payable	7,488,338	-	(446,741)	7,041,597	456,649
Financing leases	209,785	-	(58,075)	151,710	59,611
Total business-type activities	$ 16,729,863	$ -	$ (580,153)	$ 16,149,710	$ 591,597

Long-term liability activity for the City's component unit for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Bonds payable	$ 1,055,000	$ -	$ (130,000)	$ 925,000	$ 135,000
Total business-type actvities	$ 1,055,000	$ -	$ (130,000)	$ 925,000	$ 135,000

Compensated absences are liquidated by the General Fund.

NOTE 8 – OPERATING LEASE RECEIVABLE

As part of the issuance of Downtown Development Authority revenue bonds, the Authority entered into a lease agreement with the Georgia Department of Labor (DOL) to lease certain property and buildings for use by the DOL. Under the terms of the lease agreement, the DOL will make monthly lease payments in the amount of $15,617, which shall be paid to the City as agent for the Authority in equal installments at the end of each month. The lease payments will be used for the purpose of paying the principal redemption premium (if any) and interest expenses on the Downtown Development Authority bonds. The property and buildings are leased under an operating lease, which expires on November 1, 2028. Beginning January 1, 2023, pursuant to Exhibit B.2, the City exercised its option to increase the monthly rental payment to $16,241.48 beginning January 1, 2023. The lease receivable has been recorded at a present value of $927,933, with deferred inflows of resources in the same amount.

Lease revenue and interest income were received in the current year in the amounts of $125,745 and $67,279, respectively. Future minimum lease payments are expected to be received as follows: $194,898 for years ending September 30, 2024 through 2028, with the final payment of $16,241.48 expected to be received in October of 2028.

NOTE 9 – RESTRICTIONS OF FUND BALANCES

In the governmental fund financial statements, fund balances consist of nonspendable, restricted, and unassigned amounts. Restrictions of fund balances represent that potion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned. Fund balance restrictions on September 30, 2023, include:

Capital projects funds	
Restricted for specific projects to reflect	
resources funded by SPLOST and Federal Grants	$ 9,822,350
Community development	3,756
Total capital projects funds	9,826,106
Special Revenue Funds	
Restricted to reflect resources legally restricted for:	
Community development	320,525
Public safety	13,273
Total special revenue funds	333,798
Total restricted net position	$ 10,159,904

NOTE 10 – PENSION PLAN

Plan Description

The City of Moultrie, Georgia maintains a single employer defined benefit pension plan, the Retirement Plan for Employees of the City of Moultrie (the Plan). The Plan is administered by a board of trustees in accordance with a trust agreement between the City of Moultrie, Georgia and the board of trustees. The board of trustees acts in the dual capacity as the administrator of the Plan and the trustee of the trust fund created in accordance with the Plan and the Trust Agreement. Benefit provisions and contributions are established and may be amended by the City Council. No stand-alone financial report is issued. (See pages 14 and 15 of this report for the plan's financial statements.)

The Plan covers all full-time employees of the City of Moultrie, Georgia who were hired prior to January 1, 2019. Employees become eligible to participate in the Plan after six months and are fully vested after ten years. Prior to October 1, 1994, the Plan excluded employees for whom the City made contributions directly or indirectly to another retirement program. Employees in this category (firefighters and police officers) became participants in the Plan on October 1, 1994, if they filed an application to participate. Benefit provisions are established by City Ordinance. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. As of January 1, 2018, the plan is closed to new entrants.

As of October 1, 2022, the date of the most recent actuarial valuation, there were 194 participants consisting of the following:

Retires and benficiaries currently receving benefits	100
Vested terminiated employees not yet receiving benefits	11
Active employees	83
Total	194

Method used to Value Investments

Investments are reported at their fair values. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrued basis. Dividend income is accrued on the ex-dividend date.

NOTE 10 – PENSION PLAN (CONTINUED)

Contributions

The City (and individual participants prior to 2018) makes contributions to the Plan. Effective February 1, 2005, all employees were required to contribute 4.42% of their annual earnings to the Plan. The City's funding policy is to contribute the amount required to fund the Plan benefits as determined by the Plan actuary. Administrative costs are financed through investment earnings.

The annual required contribution for the year ended September 30, 2023, was determined as part of the October 1, 2022, actuarial valuation using the entry age method. The actuarial assumptions included a) an interest rate of 6.5%, net of investment expenses, b) projected salary increases of 3.25% per year and c) no inflation rate assumption. Mortality rates were based on the RP-2000 Mortality Table projected with Scale AA.

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average City contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Under Georgia law, the pension board is vested with the authority to select the actuarial assumptions. The board makes decisions based on the advice of the plan's actuary. No experience study has been performed since the plan is very small. Because there are not enough plan participants to develop their own tables, the board relies on generally applicable assumptions.

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 dates of return (expected returns, net of pension plan investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	50%	5.00%
Domestic fixed income	50%	1.50%
Total or weighted arithmetic average	100%	3.25%

NOTE 10 – PENSION PLAN (CONTINUED)

Changes in Net Pension Liability:

The total pension liability was determined by an actuarial valuation as of October 1, 2022, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2023. Changes in the net pension liability for the year ended September 30, 2023, were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2022	$ 16,090,499	$ (11,875,368)	$ 4,215,131
Changes for the year:			
Service costs	-	-	-
Interest	818,815	(598,987)	219,828
Unexpected investment income	-	(394,527)	(394,527)
Difference between expected and actual experience	58,003	-	58,003
Contributions - employer	-	(140,606)	(140,606)
Net investment income	-	-	-
Benefit payments	(1,084,860)	1,084,860	-
Adminstrative expense	-	-	-
Assumption changes	-	-	-
Net changes	(208,042)	(49,260)	(257,302)
Balances at September 30, 2023	$ 15,882,457	$ (11,924,628)	$ 3,957,829

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following table represents the net pension liability of the City, calculated using the discount rate of 5.25%, 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 or 1-percentage point higher than the current rate.

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
Net pension liability	$ 5,880,481	$ 3,957,829	$ 2,372,947

NOTE 10 – PENSION PLAN (CONTINUED)

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

On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following source:

	Deferred Outflows of Resources	Deferred Inflows Resources
Balances at September 30, 2022	$ 4,467,089	$ 1,736,067
Changes for the year:		
Amortization payments	(1,105,928)	(551,373)
Investment gain/loss	-	394,527
Demographic gain/loss	58,004	-
Assumption changes	-	-
Net changes	(1,047,924)	(156,846)
Balances at September 30, 2023	$ 3,419,165	$ 1,579,221

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at September 30, 2023 will be recognized in pension expense as follows:

Fical Year Ending:	Total	Total
2024	$ 1,074,458	$ 551,045
2025	1,062,650	517,654
2026	861,183	225,081
2027	321,526	201,678
2028	99,348	78,283
Thereafter	-	5,480
	$ 3,419,165	$ 1,579,221

NOTE 10 – PENSION PLAN (CONTINUED)

Peace Officers' Annuity and Benefit Fund of Georgia

Plan Description:

The Peace Officers' Annuity and Benefit Fund of Georgia (POABFG) is a cost-sharing multiple-employer defined benefit created in 1950 by the General Assembly of Georgia to provide retirement benefits to peace officers. Members of the POABFG are employed by units of government throughout the State of Georgia. The employers of the POABFG's members do not make contributions to the POABFG. The State of Georgia provides non-employer contributions to the POABFG through the collection of court fines and forfeitures. Detailed information about the benefits provided to members is available in the separately issued POABFG financial report which is publicly available.

Actuarial Assumptions:

The collective total pension liability was determined by an actuarial valuation as of June 30, 2021, with updated procedures used to roll forward the total pension liability to June 30, 2022. The roll forward calculation adds the normal costs (also called service costs), subtracts the actual benefit payments, and refunds for the plan year, and then applies the discount rate for the year. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	n/a
Investment rate of return	6.50%
Mortality rates	PUB-2010 Mortality Table

The long-term expected rate of return on pension plan investments was calculated by the POABFG's investment manager as 6.50% using a Monte Carlo simulation in which best estimate ranges of expected future real rate of return (expected nominal 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 weighing the expected future real rates of return by the target asset allocation percentage. The POABFG's administrator determined that 6.50% was a reasonable assumption for the long-term rate of return on plan assets based on the calculation by the POABGF's investment manager.

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumes revenues will remain level. Based on those assumptions, the pension plans' 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 periods of projected benefit payments to determine the total pension liability.

NOTE 10 – PENSION PLAN (CONTINUED)

Net Pension Liability:

On September 30, 2023, the City did not have a liability for a proportionate share of the net pension liability (asset) of the POABFG because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability associated with the City was $73,101 as of September 30, 2023.

Pension Expense:

For the year ended September 30, 2023, the City recognized pension expense related to the POABFG of $6,496 and revenue of $6,496 for support provided by the State of Georgia.

Georgia Firefighter's Pension Fund

Plan Description:

The Georgia Firefighter's Pension Fund (GFPF) is a cost-sharing multiple-employer defined benefit created by the General Assembly of Georgia to provide retirement benefits to firefighters. Members of the GFPF are employed by units of government throughout the state of Georgia. Detailed information about the benefits provided to members is available in the separately issued GFPF financial report which is publicly available.

Actuarial Assumptions:

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was based on an actuarial valuation as of that date. The total pension liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	n/a
Investment rate of return	5.75%
Mortality rates	Pub-2010 Public Safety Headcount Weighted Below Median Table

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected nominal 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.

NOTE 10 – PENSION PLAN (CONTINUED)

The discount rate used to measure the total pension liability was 5.75%. 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 employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' 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 periods of projected benefit payments to determine the total pension liability.

Net Pension Liability:

On September 30, 2023, the City did not have a liability for proportionate share of the net pension liability of the GFPF because of the related support from the State of Georgia. The amount of the State's proportionate share of the net pension liability associated with the City was $783,944 as of September 30, 2023.

Pension Expense:

For the year ended September 30, 2023, the City recognized pension expense related to the GFPF of $191,580 and revenue of $191,580 for support provided by the State of Georgia.

NOTE 11 – DEFINED CONTRIBUTION PLAN

A defined contribution plan has been established for all full-time employees whereby they can contribute a portion of their salary up to the allowable annual contribution of $18,500. The City matches up to 5% of the employee's compensation. For the year ended September 30, 2023, the City contributed $304,975 to the plan.

NOTE 12 – JOINT VENTURES

Southwest Georgia Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in the eight county Southwest Georgia area, is a member of the Southwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended September 30, 2023, the City paid $15,970 in such dues.

Membership in the Commission is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Commission. Separate financial statements may be obtained from:

Southwest Georgia Regional Commission
P.O. Box 346
Camilla, Georgia 31730

South Georgia Governmental Services Authority

The South Georgia Governmental Services Authority (SGGSA) was created by the South Georgia Governmental Services Authority Act (State of Georgia, House Bill 879) in March of 2001 for the purpose of providing governmental, proprietary, and administrative services and facilities to the Cities of Moultrie, Camilla, Cairo, and Thomasville and other subdivisions, agencies, and authorities within its area of operation. The SGGSA provides video, internet, telephony, and telecom services under the trade name "CNS". Moultrie is a member of the SGGSA along with the cities of Camilla, Cairo and Thomasville, Georgia. SGGSA is accounted for as a joint venture with equity interests by the members and is recorded in the CNS Broadband enterprise fund. The fiscal year of the SGGSA ends on December 31. These financial statements include Moultrie's share of SGGSA net income for the SGGSA fiscal year ended December 31, 2022, in the amount of $763,627. The investment has a carrying value of $3,298,812 on September 30, 2023, which is the amount of Moultrie's share of book value of the entity plus or minus capital contributions or distributions received from January 1, 2023, through September 30, 2023. The SGGSA board is made up of eight members, two appointed by each participating city for four-year terms.

Separate financial statements may be obtained from:

South Georgia Governmental Services Authority
P.O. Box 1676
Thomasville, GA 31799

NOTE 12 – JOINT VENTURES (CONTINUED)

Moultrie – Colquitt County Development Authority

The MCCDA board is made up of eleven members, four appointed by the County, four appointed by the City and three appointed by the previously appointed eight. The MCCDA is charged with promoting industry and the development of trade, by inducing manufacturing, industrial and commercial enterprises to locate in Moultrie and Colquitt County.

The Moultrie – Colquitt County Development Authority is supported by property tax revenues. Separate financial statements may be obtained from:

Moultrie – Colquitt County Development Authority
P.O. Box 487
Moultrie, Georgia 31776

NOTE 13 – RELATED ORGANIZATION

The City's governing body is responsible for all of the board appointments of the Moultrie Housing Authority. However, the City has no further accountability for this organization.

NOTE 14 – HOTEL/MOTEL TAX

The City has levied a 7% lodging tax. For the year ended September 30, 2023, $411,432 of hotel/motel tax was collected. Management represents that 100% of the lodging tax received during the year ended September 30, 2023, was used for the promotion of tourism, conventions, or trade shows.

NOTE 15 – 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.

Property and General Liability and Worker's Compensation

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 Worker's Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTE 15 – RISK MANAGEMENT (CONTINUED)

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 government contract and in accordance with the Worker's Compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after the entity of judgment and all expenses incurred for investigation, negotiation or defense.

Group Medical Benefits

The City is self-insured for group medical and dental benefits up to $50,000 annually per participant. The self-insurance program is administered by a third-party insurance service company. Administrative costs are allocated among the General Fund, Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Solid Waste Fund, and the Airport Fund. Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic social factors. The liability for claims payable is reported in the General Fund. The change in the balance of claim liabilities during the past two years is as follows:

	Unpaid Claims	
September 30	2023	2022
Unpaid claims, beginning of year	124,827	417,733
Incurred claims (including IBNRs)	2,299,083	1,798,970
Claim payments	(2,272,547)	(2,091,876)
Unpaid claims, end of year	$ 151,363	$ 124,827

Settlements

During the year ended September 30, 2023, there were no significant reductions in insurance coverage from the prior year and there have been no settlements exceeding insurance coverage in the years ended September 30, 2021, 2022 and 2023.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several legal matters, which either have or could result in litigation. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be estimated. In the opinion of the City attorney, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The City expects such disallowed amounts, if any, would not have a material impact on the financial position of the City.

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by State law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of is projects for profit, unless any such profits inure to the benefit of the public.

As of September 30, 2023, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired to constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to $17,505,335 for the year ended September 30, 2023.

On September 30, 2023, the outstanding debt of MEAG was approximately $9.1 billion. The City's guarantee varies by individual projects undertaken by MEAG and total approximately $167.6 million on September 30, 2023.

NOTE 16 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2060, are general obligations of the City to which the City's full faith, credit, and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG costs to provide such supply, including. bond issues to purchase long-term rights to bulk supply. The total payments under these contracts amounted to $1,643,315 for the year ended September 30, 2023.

On September 30, 2023, MGAG's bonds to which the City's obligation share is applicable were outstanding in the approximate principal amount of $68.5 million. The City's obligation share of that amount totals approximately $658,000 on September 30, 2023.

NOTE 17 – ADJUSTMENTS TO PREVIOUSLY ISSUED FINANCIAL STATEMENTS

After the issuance of its financial statements for the year ended September 30, 2022, the City discovered several errors. The City has restated beginning net positions and fund balance as of October 1, 2022, as follows to correct the errors:

	Fund Financial Statements			
Beginning Fund Balance	ARPA Fund	Other Governmental Funds	Total Governmental Funds	Governmental Activities
Beginning balance, October 1, 2022	$ 3,179,580	$ 13,652,323	$ 31,139,571	$ 57,280,839
Reclassification of ARPA fund balance to unearned revenue	(3,179,580)	(3,179,580)	(3,179,580)	(3,179,580)
Change in net position	(3,179,580)	(3,179,580)	(3,179,580)	(3,179,580)
Beginning balance, October 1, 2022, restated	$ -	$ 10,472,743	$ 27,959,991	$ 54,101,259

	Enterprise Funds			
Beginning Net Position	Water and Sewer Fund	Electric Revenue Fund	Total Proprietary Fds	Business-Type Activities
Beginning balance, October 1, 2022	$ 24,101,093	$ 40,306,380	$ 76,578,348	$ 76,578,348
Land disposed of a prior year	(5,042)	(700,000)	(705,042)	(705,042)
Rounding	-	(1)	(2)	(2)
Change in net position	(5,042)	(700,001)	(705,044)	(705,044)
Beginning balance, October 1, 2022, restated	$ 24,096,051	$ 39,606,379	$ 75,873,304	$ 75,873,304

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	$ 3,899,164	$ 3,899,164	$ 3,636,755	$ (262,409)
Other taxes	2,058,660	2,058,660	2,238,441	179,781
Licenses and permits	750,000	750,000	793,374	43,374
Fines and forfeitures	515,000	515,000	379,309	(135,691)
Intergovernmental	265,963	265,963	639,039	373,076
Charges for services	35,000	35,000	141,969	106,969
Contributions and donations	-	-	24,197	24,197
Investment income	100,000	100,000	473,553	373,553
Reimbursement for damaged property	-	-	4,732	4,732
Other revenues	130,000	130,000	1,965,081	1,835,081
Total revenues	7,753,787	7,753,787	10,296,450	2,542,663
Expenditures				
Current				
General government				
City council	885,179	928,639	750,643	(177,996)
City manager	249,357	263,450	253,282	(10,168)
Finance	411,130	423,211	396,652	(26,559)
Purchasing	284,174	300,831	257,763	(43,068)
Human resources	331,049	348,362	325,551	(22,811)
City hall	49,642	164,392	156,568	(7,824)
Engineering	327,274	342,849	286,409	(56,440)
Total general government	2,537,805	2,771,734	2,426,868	(344,866)
Judicial				
Municipal court	404,473	414,616	330,836	(83,780)
Total judicial	404,473	414,616	330,836	(83,780)
Public safety				
Police	3,521,625	3,856,002	3,589,809	(266,193)
Fire	3,472,773	3,590,310	3,544,988	(45,322)
Total public safety	6,994,398	7,446,312	7,134,797	(311,515)
Public works				
Office of the director	391,989	443,594	399,982	(43,612)
Streets and sidewalks	1,628,470	1,638,471	1,101,957	(536,514)
Beautification	1,139,141	1,150,026	838,965	(311,061)
Total public works	3,159,600	3,232,091	2,340,904	(891,187)
Community development				
Planning and zonning	577,926	602,619	565,543	(37,076)
Total community development	577,926	602,619	565,543	(37,076)

CITY OF MOULTRIE
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance
	Original	Final	Actual Amounts	with Final Budget
Debt service				
Principal	105,088	105,088	105,088	-
Interest	7,500	7,500	7,499	(1)
Total debt service	112,588	112,588	112,587	(1)
Total expenditures	13,786,790	14,579,960	12,911,535	(1,668,425)
Excess (deficiency) of revenus over expenditures				
Other Financing Sources (Uses)				
Proceeds - disposal of capital assets	-	-	112,809	112,809
Transfers, net	6,114,188	6,114,188	4,775,466	(1,338,722)
Total other financing sources (uses)	6,114,188	6,114,188	4,888,275	(1,225,913)
Net change in fund balances	81,185	(711,985)	2,273,190	2,985,175
Fund balances, beginning of year	17,487,248	17,487,248	17,487,248	-
Fund balances, end of year	$ 17,568,433	$16,775,263	$ 19,760,438	$ 2,985,175

CITY MOULTRIE
SCHEDULE OF CHANGES IN GMEBS NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS*
SEPTEMBER 30, 2023

Year Ended September 30	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability								
Service cost	$ -	$ -	$ -	$ -	$ -	$ 293,623	$ 618,598	$ 637,338
Expected interest growth	818,815	848,913	867,908	842,108	800,188	979,243	968,914	991,563
Demographic experience	58,003	(270,175)	(94,428)	775,807	1,178,243	(138,722)	(87,072)	(1,023,159)
Benefit payments	(1,084,860)	(1,152,764)	(1,128,179)	(1,140,237)	(1,184,596)	(882,473)	(853,317)	(1,019,237)
Changes in benefit terms	-	-	-	-	-	(3,903,182)	-	(438)
Assumption changes	-	-	(40,980)	-	-	578,536	-	-
Net Change in total pension liability	(208,042)	(574,026)	(395,679)	477,678	793,835	(3,072,975)	647,123	(413,933)
Total Pension Liability								
Beginning	16,090,499	16,664,525	17,060,204	16,582,526	15,788,691	18,861,666	18,214,543	18,628,476
Ending	15,882,457	16,090,499	16,664,525	17,060,204	16,582,526	15,788,691	18,861,666	18,214,543
Plan fiduciary net position								
Contributions - employer	140,606	214,416	170,141	316,844	227,628	84,313	372,201	329,067
Contributions - employee	-	-	-	-	-	51,771	224,604	257,851
Expected interest growth	598,987	716,570	658,868	665,633	685,314	689,403	668,516	647,195
Unexpected investment income	394,527	(2,014,975)	1,388,553	99,810	(157,342)	206,005	141,019	138,195
Administrative expenses	-	(20)	-	(8,780)	(14,786)	(11,798)	(34,012)	(27,721)
Benefit payments	(1,084,860)	(1,152,764)	(1,128,179)	(1,140,237)	(1,184,596)	(882,473)	(853,317)	(1,019,237)
Net change in plan fiduciary net position	49,260	(2,236,773)	1,089,383	(66,730)	(443,782)	137,221	519,011	325,350
Plan fiduciary net position								
Beginning	11,875,368	14,112,141	13,022,758	13,089,488	13,533,270	13,396,049	12,877,038	12,551,833
Ending	11,924,628	11,875,368	14,112,141	13,022,758	13,089,488	13,533,270	13,396,049	12,877,183
Net pension liability - ending	$ 3,957,829	$ 4,215,131	$ 2,552,384	$ 4,037,446	$ 3,493,038	$ 2,255,421	$ 5,465,617	$ 5,337,360
Plan fiduciary net position as a % of total pension liability	75.08%	73.80%	84.68%	76.33%	78.94%	85.70%	71.02%	70.70%
Covered-employee payroll	$ 3,779,760	$ 3,862,756	$ 4,022,247	$ 4,147,176	$ 4,377,466	$ 4,922,494	$ 4,836,938	$ 5,044,899
Net pension liability as a % of covered employee payroll	104.7%	109.1%	63.5%	97.4%	79.8%	45.8%	113.0%	105.8%

CITY OF MOULTRIE
SCHEDULE OF CHANGES IN GMEBS NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN YEARS*
SEPTEMBER 30, 2023

Notes to Schedule

*Year 2015 was the 1st year of implementation; therefore, only eight years are shown.

CITY OF MOULTIRE
SCHEDULE OF GMEBS RETIREMENT PLAN CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 140,606	$ 214,416	$ 170,141	$ 316,844	$ 227,628	$ 84,313	$ 372,201	$ 329,067
Contribution in relation to the actuarially determined contribution	$ 140,606	$ 111,247	$ 273,310	$ 250,495	$ 135,000	$ 189,682	$ 152,555	$ 329,067
Contribution deficiency (excess)	$ -	$ 103,169	$ (103,169)	$ 66,349	$ 92,628	$ (105,369)	$ 219,646	$ -
Covered-employee payroll	$ 3,779,790	$ 3,862,756	$ 4,022,247	$ 4,147,176	$ 4,377,466	$ 4,922,494	$ 4,836,938	$ 5,044,899
Contribution as a % of covered employee payroll	3.72%	5.55%	4.23%	7.64%	5.20%	1.71%	7.69%	6.52%

Notes to the Schedule

(1) Actuarial assumptions

Valuation date	October 1, 2022
Actuarial cost method	Entry age
Actuarial asset valuation method	Market value of assets
Assumed rate of retun on investments	3.25%
Projected salary increases	3.25%
Inflation rate	2.00%
Amortization method	20 years level

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

CITY OF MOULTIRE
SCHEDULE OF GFPF COLLECTIVE NET PENSION AND EMPLOYER LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Used for the year ended September 30	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State of Georgia's proportionate share of the net pension liability (asset), associated with the City	$73,101	$102,474	$563,295	$412,821	$393,285	$418,022	$628,257	$468,885	$264,420
City's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll entity's porportionate share of collective	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total pension liability (asset)	80.74%	96.77%	80.82%	84.67%	83.95%	83.74%	79.03%	83.06%	89.72%

** The State makes all contributions to the plan on behalf of employees of the particpating employers. The proportionate share percentage has been determined based on these contributions.

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CITY OF MOULTIRE
SCHEDULE OF POABF NET PENSION AND EMPLOYER LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Used for the year ended September 30	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State of Georgia's proportionate share of the net pension liability (asset) associated with the City	$783,944	$ (767)	$ 4,220	$(7,171)	$(3,222)	$(2,778)	$17,973	$ 3,780	Unknown
City's covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll entity's porportionate share of collective	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total pension liability (asset)	77.76%	100.33%	98.36%	102.93%	101.79%	101.62%	92.18%	98.28%	103.75%

** The State makes all contributions to the plan on behalf of employees of the particpating employers. The proportionate share percentage has been determined based on these contributions.

COMBINING FUND SCHEDULES

CITY OF MOULTRIE
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds				Capital Projects Funds				Total
	Confiscated Assets	American Rescue Plan	Multiple Grants	Hotel Motel Tax	Paving Program	SPLOST	TSPLOST	Community Development	Governmental Funds
ASSETS									
Restricted cash/cash equivalents	$42,058	$2,483,938	$ -	$304,717	$ -	$5,478,264	$4,382,791	$ -	$12,691,768
Intergovernmental receivables	-	-	-	-	-	-	186,471	-	186,471
Prepaid expenses	-	-	-	1,267	-	-	-	-	1,267
Due from other funds	-	384,648	26,353	801	196	-	-	3,856	415,854
Total assets	$42,058	$2,868,586	$26,353	$306,785	$196	$5,478,264	$4,569,262	$3,856	$13,295,360
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	$ -	$ -	$ -	$ 4,028	$ -	$ 220,208	$ 1,212	$ 100	$ 225,548
Accrued expenses	-	-	-	5,545	-	-	-	-	5,545
Unearned revenue	-	2,855,379							2,855,379
Due to other funds	28,785	13,207	1,077	4,548	100	-	-	-	47,717
Total liabilities	28,785	2,868,586	1,077	14,121	100	220,208	1,212	100	3,134,189
Fund balance:									
Nonspendable:									
Prepaid expenses	-	-	-	1,267	-	-	-	-	1,267
Restricted for:									
Community development	-	-	25,276	291,397	96	-	-	3,756	320,525
Public safety	13,273	-	-	-	-	-	-	-	13,273
Capital projects	-	-	-	-	-	5,258,056	4,568,050	-	9,826,106
Total fund balances	13,273	-	25,276	292,664	96	5,258,056	4,568,050	3,756	10,161,171
Total liabilities and fund balance	$42,058	$2,868,586	$26,353	$306,785	$196	$5,478,264	4,569,262	3,856	$13,295,360

CITY OF MOULTRIE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue Funds				Capital Projects Funds				Total
	Confiscated Assets	American Rescue Plan	Multiple Grants	Hotel Motel Tax	Paving Program	SPLOST	TSPLOST	Community Development	Governmental Funds
REVENUES									
Taxes	$ -	$ -	$ -	$ 411,432	$ -	$ -	$ -	$ -	$ 411,432
Intergovernmental	-	324,200	51,758	13,750	-	1,876,028	2,191,691	-	4,457,427
Investment income	122	36,048	-	-	-	81,407	64,768	(0)	182,345
Other revenues	6,284	-	-	55,807	-	-	-	-	62,091
Total revenues	6,406	360,248	51,758	480,989	-	1,957,435	2,256,459	-	5,113,295
EXPENDITURES									
Current:									
Judicial	-	21,622	-	-	-	-	-	-	21,622
Public safety	13,603	16,774	-	-	-	-	-	-	30,377
Community development	-	-	51,758	514,174	-	-	-	179,210	745,142
Capital outlays:									
Public safety	-	-	-	-	-	1,147,657	-	-	1,147,657
Public works	-	-	-	-	-	950,631	2,252,586	-	3,203,217
Total expenditures	13,603	38,396	51,758	514,174	-	2,098,288	2,252,586	179,210	5,148,015
Excess (deficiency) of revenues over (under) expenditures	(7,197)	321,852	-	(33,185)	-	(140,853)	3,873	(179,210)	(34,720)
OTHER FINANCING SOURCES (USES)									
Transfers	-	(321,852)	(0)	45,000	-	-	-	-	(276,852)
Total other financing sources (uses)	-	(321,852)	(0)	45,000	-	-	-	-	(276,852)
Net change in fund balances	(7,197)	-	-	11,815	-	(140,853)	3,873	(179,210)	(311,572)
Fund balances - beginning, restated	20,470	-	25,276	280,849	96	5,398,909	4,564,177	182,966	10,472,743
Fund balances - ending	$ 13,273	$ -	$ 25,276	$ 292,664	$ 96	$ 5,258,056	$ 4,568,050	$ 3,756	10,161,171

CITY OF MOULTRIE
STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
ASSETS							
Current assets:							
Cash and cash equivalents	$ 877,238	$ -	$ 588,704	$ 680,803	$ 46,269	$ -	$ 2,193,014
Accounts receivable, net	200,431	1,641	18,144	183,689	625	3,275	407,805
Intergovernmental receivables	-	-	-	-	-	-	-
Inventory	69,940	-	-	-	-	-	69,940
Due from other funds	713,174	1,427,034	39,609	2,237,007	-	132,490	4,549,314
Prepaid insurance	4,333	-	-	26,348	-	8,692	39,373
Total current assets	1,865,116	1,428,675	646,457	3,127,847	46,894	144,457	7,259,446
Noncurrent assets:							
Investment in SGGSA	-	-	3,298,812	-	-	-	3,298,812
Other investments	2,392,852	-	-	-	-	-	2,392,852
Capital assets:							
Land	16,786	-	-	-	-	-	16,786
Construction in progress	-	-	-	-	-	683,462	683,462
Other capital assets, net of accumulated depreciation	401,433	-	-	2,414,985	1,231,010	551,772	4,599,200
Total noncurrent assets	2,811,071	-	3,298,812	2,414,985	1,231,010	1,235,234	10,991,112
Total assets	4,676,187	1,428,675	3,945,269	5,542,832	1,277,904	1,379,691	18,250,558
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows from pensions	106,337	-	-	379,869	-	-	486,206
Total deferred inflows of resources	106,337	-	-	379,869	-	-	486,206
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 4,782,524	$ 1,428,675	$ 3,945,269	$ 5,922,701	$ 1,277,904	$ 1,379,691	$ 18,736,764

CITY OF MOULTRIE
STATEMENT OF NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
LIABILITIES							
Current liabilities payable from current assets:							
Accounts payable	$ 93,663	$ 66,173	$ 78,992	$ 54,253	$ -	$ 11,071	$ 304,152
Accrued expenses	7,313	-	-	23,818	-	-	31,131
Current portion of long-term debt	-	-	-	59,611	-	-	59,611
Customer deposits	-	1,013,198	12,981	-	-	5,368	1,031,547
Unearned revenue	-	372,827	-	-	-	-	372,827
Due to other governments	-	-	706,642	-	-	-	706,642
Due to other funds	1,584,292	475	48,098	1,021,403	8,259	58,687	2,721,214
Total current liabilities payable from current assets	1,685,268	1,452,673	846,713	1,159,085	8,259	75,126	5,227,124
Long-term liabilities:							
Long-term debt	-	-	-	92,099	-	-	92,099
Net pension liability	123,089	-	-	439,714	-	-	562,803
Total long-term liabilities	123,089	-	-	531,813	-	-	654,902
Total liabilities	1,808,357	1,452,673	846,713	1,690,898	8,259	75,126	5,882,026
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows from pensions	49,114	-	-	175,451	-	-	224,565
Total deferred inflows of resources	49,114	-	-	175,451	-	-	224,565
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,857,471	1,452,673	846,713	1,866,349	8,259	75,126	6,106,591
NET POSITION:							
Net investment in capital assets	401,433	-	-	2,263,275	1,231,010	1,235,234	5,130,952
Unrestricted	2,523,620	(23,998)	3,098,556	1,793,077	38,635	69,331	7,499,221
Total net position	$ 2,925,053	$ (23,998)	$ 3,098,556	$ 4,056,352	$ 1,269,645	$ 1,304,565	$ 12,630,173

CITY OF MOULTRIE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
OPERATING REVENUES							
Utility revenue	$ 2,749,536	$ -	$ -	$ 3,170,077	$ -	$ -	$ 5,919,613
Income from joint venture	-	-	763,627	-	-	-	763,627
Intergovernmental	-	-	-	-	-	967,656	967,656
Rental income	-	-	-	-	-	38,243	38,243
Other revenues	3,501	-	1,320	46,272	8,125	163,566	222,784
Total operating revenues	2,753,037	-	764,947	3,216,349	8,125	1,169,465	7,911,923
OPERATING EXPENSES							
Personnel costs	304,268	-	-	939,420	-	-	1,243,688
Operating, administrative, and maintenance	1,891,373	-	525,490	1,453,896	724	856,335	4,727,818
Depreciation	53,880	-	-	296,986	54,720	89,276	494,862
Total operating expenses	2,249,521	-	525,490	2,690,302	55,444	945,611	6,466,368
Operating income (loss)	503,516	-	239,457	526,047	(47,319)	223,854	1,445,555
NONOPERATING REVENUE (EXPENSES)							
Gains (loss) on disposal of capital assets	6,550	-	-	191,120	-	-	197,670
Interest income	20,039	-	-	8,113			28,152
Interest expense	-	-	(56)	(4,405)	-	-	(4,461)
Total nonoperating revenue (expenses)	26,589	-	(56)	194,828	-	-	221,361
Income (loss) before transfers	530,105	-	239,401	720,875	(47,319)	223,854	1,666,916
Transfers	(439,852)	-	(300,000)	(460,914)	-	(6,851)	(1,207,617)
Change in net position	90,253	-	(60,599)	259,961	(47,319)	217,003	459,299
Net position (deficit), beginning of year	2,834,800	(23,998)	3,159,155	3,796,391	1,316,964	1,087,562	12,170,874
Net position (deficit), end of year	$ 2,925,053	$ (23,998)	$3,098,556	$ 4,056,352	$1,269,645	$ 1,304,565	$ 12,630,173

CITY OF MOULTRIE
STATEMENTS OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Gas Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts from customers and users	$ 3,004,835	$ 211,208	$ -	$ 3,190,667	$ 7,500	$ 1,173,159	$ 7,587,369
Other receipts	-	-	194,182	2	-	-	194,184
Payments to employees (or for their benefit) for services provided	(284,558)	-	-	(869,009)	-	-	(1,153,567)
Payments to suppliers for goods or services	(2,069,268)	-	(197,824)	(1,454,197)	(724)	(950,921)	(4,672,934)
Intergovernmental receipts (payments)	(63,018)	(211,208)	49	1,148,050	-	278,547	1,152,420
Net cash provided (used) by operating activities	587,991	-	(3,593)	2,015,513	6,776	500,785	3,107,472
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers to other funds	(439,852)	-	(300,000)	(460,914)	-	(6,851)	(1,207,617)
Net cash provided (used) by noncapital financing activities	(439,852)	-	(300,000)	(460,914)	-	(6,851)	(1,207,617)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from disposal of capital assets	6,550	-	-	211,588	-	-	218,138
Acquisition and construction of capital assets	(82,643)	-	-	(1,031,016)	-	(493,934)	(1,607,593)
Principal paid on capital debt	-	-	-	(58,076)	-	-	(58,076)
Interest paid on capital debt/other	-	-	(56)	(4,405)	-	-	(4,461)
Net cash provided (used) by capital and related financing activities	(76,093)	-	(56)	(881,909)	-	(493,934)	(1,451,992)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchases of investments	(2,392,852)	-	-	-	-	-	(2,392,852)
Interest income earned on investments	20,039	-	-	8,113	-	-	28,152
Distributions received from joint venture	-	-	435,699	-	-	-	435,699
Net cash provided by investing activities	(2,372,813)	-	435,699	8,113	-	-	(1,929,001)
Net increase in cash	(2,300,767)	-	132,050	680,803	6,776	-	(1,481,138)
Balances - beginning	3,178,005	-	456,654	-	39,493	-	3,674,152
Balances - ending	$ 877,238	$ -	$ 588,704	$ 680,803	$ 46,269	$ -	$ 2,193,014

CITY OF MOULTRIE
STATEMENTS OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Utilities Deposit Fund	Utilities Deposit Fund	CNS Broadband Fund	Solid Waste Fund	Mass Transit Fund	Airport Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income (loss)	$ 503,516	$ -	$ 239,457	$ 526,047	$ (47,319)	$ 223,854	$ 1,445,555
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation expense	53,880	-	-	296,986	54,720	89,276	494,862
Noncash increase in investment in joint venture	-	-	(763,627)	-	-	-	(763,627)
Change in assets and liabilities:							
Receivables, net	251,798	-	194,009	(25,682)	(625)	3,694	423,194
Prepaid expense	441	-	-	(722)	-	(524)	(805)
Inventory	(6,090)	-	-	-	-	-	(6,090)
Due to/from other funds	(63,018)	211,208	49	1,148,050	-	278,547	1,574,836
Customer deposits	-	(90,666)	(1,147)	-	-	-	(91,813)
Pension related balances	19,710	-	-	70,411	-	-	90,121
Accounts payable and accrued expenses	(172,246)	(120,542)	327,666	423	-	(94,062)	(58,761)
Net cash provided by operating activities	$ 587,991	$ -	$ (3,593)	$ 2,015,513	$ 6,776	$ 500,785	$ 3,107,472

Non-cash activity:

Gas Fund

Noncash income of $763,627 was received, which increased the City's investment in SGGSA joint venture.

Assets with a cost and accumulated depreciation in the amount of $321,712 were disposed of.

Solid Waste Fund

Assets with a cost of $520,100 and accumulated depreciation of $499,632 were disposed of.

STATE COMPLIANCE SECTION

CITY OF MOULTRIE
ONE PERCENT SPECIAL PURPOSE SALES TAX (CONTINUED)
PROJECT COST SCHEDULE (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Period	Expenditures Total	Estimated Percent Completed
SPLOST - 2013 Issue						
Referendum Expenditures:						
Wastewater treatment	$ 7,891,000	$ 6,960,420	$ 6,905,358	$ -	$ 6,905,358	
Road, bridge, and drainage	2,000,000	1,764,142	1,749,253	-	1,749,253	
Joint project - City of Moultrie recreational facilities	1,500,000	1,323,106	1,393,057	-	1,393,057	
	$ 11,391,000	$ 10,047,668	$ 10,047,668	$ -	$ 10,047,668	100.00%
SPLOST - 2019 Issue						
Referendum Expenditures:						
Utility infrastructure improvements	$ 870,000	$ -	$ 318,740	$ 105,363	$ 424,103	
Public safety:						
Relocation of fire station #2	1,500,000	-	78,036	1,141,260	1,219,296	
Fire Dept. ladder truck/vehicles	565,000	-	561,620	-	561,620	
Police Dept. vehicles	385,000	-	385,000	-	385,000	
Certified Police Dept. firing range	50,000	-	27,254	6,396	33,650	
Other infrastructure improvements:						
Streets	1,250,000	-	265,655	65,158	330,813	
Storm drainage	1,250,000	-	-	-	-	
Sidewalks	1,000,000	-	-	30,714	30,714	
Traffic control	100,000	-	-	-	-	
Streetscape	560,000	-	13,666	546,334	560,000	
Spence Field	500,000	-	-	-	-	
Public works:						
Equipment	867,376	-	-	203,063	203,063	
Totals	$ 8,897,376	$ -	$ 1,649,971	$ 2,098,288	$ 3,748,259	42.13%

CITY OF MOULTRIE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Period	Expenditures Total	Estimated Percent Completed
TSPLOST - 2017 Issue						
Referendum Expenditures:						
Streets, resurfacing, repairs, utility relocation	$ 3,112,033	$ 3,462,040	$ 973,332	$ 616,596	$ 1,589,928	
Culvert, bridge, drainage	2,385,000	2,653,236	1,235,276	909,983	2,145,259	
Railroad, school traffic, striping, roundabout	450,000	500,610	7,180	287,205	294,385	
Street equipment	1,452,000	1,615,303	649,045	402,542	1,051,587	
Totals	$ 7,399,033	$ 8,231,189	$ 2,864,833	$ 2,216,326	$ 5,081,159	61.73%
TSPLOST - 2022 Issue						
Referendum Expenditures:						
Streets, drainage, rail road, traffic, safety	$ 1,342,586	$ -	$ -	$ 36,260	$ 36,260	
Culvert, bridge, drainage, drain tile	2,967,500	-	-	-	-	
Traffic control, striping	500,000	-	-	-	-	
Operational transportation	2,562,500	-	-	-	-	
Streets - equipment	1,928,000	-	-	-	-	
Streets - vehicles	220,000	-	-	-	-	
Totals	$ 9,520,586	$ -	$ -	$ 36,260	$ 36,260	0.38%

Prepared on the modified accrual basis of accounting.

FEDERAL COMPLIANCE SECTION

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

To the Honorable Mayor and City Council
City of Moultrie, 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 Moultrie, Georgia ("the City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated April 24, 2024.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control that we consider to be a material weakness. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

Compliance and Other Matters

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

The City's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Respectfully submitted,

Valenti, Rackley & Assoc., LLC

Valenti, Rackley & Associates, LLC
Certified Public Accountants

April 24, 2024

CITY OF MOULTRIE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

2023-001

Criteria: Proper segregation of accounting functions strengthens internal controls.

Condition: Inadequate segregation of accounting duties among personnel. Certain functions are not segregated.

Cause: Limited staff size

Effect: Increased risk of misstatement or fraud

Recommendation: We recommend that increased management oversight of the accounting function be utilized to mitigate risk.

Management Response: See management's Corrective Action Plan.

CITY OF MOULTRIE
STATUS OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Audit Reference Number	
2022-001	Unable to be corrected, recited as 2023-001