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City of Stockbridge

Holiday

CITY OF STOCKBRIDGE BOARD OF ETHICS Complaint Form

The Board of Ethics has jurisdiction over the Standards of Conduct in sections 2.40 to 2.40.100 of the City's Code of Ordinances. If a complaint alleges violations of other laws, the Ethics Board may refer the complaint to the Department of Law, or other agency.

PART ONE: PERSON MAKING THE COMPLAINT

Name: Councilwoman Yolanda Barber

Address: 4640 North Henty Blvd

City: Stockbridge

State: Ga

Zip: 30281

E-mail address: ybarber@stockbridgega.org

Telephone: 678-435-3450

PART TWO: PERSON AGAINST WHOM COMPLAINT IS BROUGHT.

If you are filing a complaint against more than one person, list the additional persons on page 3 and answer each question about them.

Name: Mayor Anthony S. Ford

City position or title: Mayor

Department or agency: City of Stockbridge-Governing Body

PART THREE: SPECIFIC LAW VIOLATED.

State the specific section of the City's Code of Ordinances that you believe was violated. To review the Code of Ethics, go to:

Section 6.29. - Audits.

There shall be an annual independent audit of all city accounts, financial transactions by a certified public accountant selected by the city council. The audit shall be conducted according to generally accepted accounting principles.

Section 3.22. - Powers and duties of mayor. As the chief executive of this city, the mayor shall:
(8) Recommend to the city council such measures relative to the affairs of the city, improvement of the government, and promotion of the welfare of its inhabitants as he may deem expedient.
(10) Require any department or agency of the city to submit written reports whenever he deems it expedient.

Section 2.22. - Council interference with administration.

PART FOUR: STATEMENT OF FACTS.

Describe the facts on which this complaint is based, including relevant dates, places, and actions.

Date(s): 7/31/23-8/1/23-8/8/23-10/3/23-10/13/23-10/20/23-10/23/23-10/27/23-11/13/23-1/8/24-

Place: Emails and Public meetings

Describe what happened:

Please see the attached written statement (entitled: YB Statement-Ethics Complaint), along with the supporting documents for full details of the complaint.

I am requesting that the Ethics Board further investigates and strongly consider taking the following actions:

1. Submit a request to the Governing Body for the necessary resources/funding needed to conduct a Forensic Audit to ensure that there is no waste, fraud or abuse.
2. When were copies of the 2022 Independent Audit results along with the Engagement Letter delivered? Which staff member accepted receipt of the copies? It should have been time/date stamped and distributed to each member of the Governing Body upon receipt.
3. I am requesting a letter of reprimand for any and all Elected Officials/Staff members who conspired to delay/interfere/withhold/hide the 2022 Independent Audit results along with the Engagement Letter.
4. Inquire about the status of the directive approved by the Governing Body during the January 2024 Council Meeting to task City staff with posting a solicitation seeking to award a new contract for an Independent Auditing Firm/CPA for the purpose of conducting the 2023 Audit.

PART FIVE: WITNESS INFORMATION.

State the names, addresses, telephone numbers, and email addresses of persons with firsthand knowledge of the facts alleged or other information that could help. List additional witnesses on page 3.

All members of the Governing Body: Mayor Anthony S. Ford, Mayor Pro-Tem Kyle Berry, Councilman Elton Alexander, Councilwoman LaKeisha Gantt, Councilman Alphonso Thomas, City Manager (Frederick Gardiner), City Clerk (Vanessa Holiday), City Attorney (Quinton Washington)

PART SIX: SUPPORTING DOCUMENTS.

List any records or documents that would assist the Board of Ethics in its investigation. Please mail or deliver to the Clerk's Office any documentary evidence that supports the facts.

Please see the attached written statement (entitled: YB Statement-Ethics Complaint), along with the supporting documents for full details of the complaint.

PART SEVEN: SWORN VERIFICATION (REQUIRED)

I declare under penalty of perjury that I have reviewed the Information given in this complaint and, to the best of my knowledge, it is a true, accurate, and complete statement.

Signature *Jokinda Barber* Date 05-16-2024

By: *Jokinda Barber* Title Councilmember Date 16 May 2024

ALL COMPLAINTS MUST BE NOTARIZED AND SUBMITTED TO THE CITY CLERK OR DEPUTY CITY CLERK AT STOCKBRIDGE CITY HALL

Date: May 16, 2024 Expires: 12/22/2026

Signature: *Vanessa Holiday*

Printed Name: Vanessa Holiday



Complaints may also be delivered to
City Clerk

4640 North Henry Blvd.

Stockbridge, GA 30281

Email: city_clerk@stockbridgega.org

Additional Persons Against Whom Complaint Is Brought

Name: _____

City position or title: _____

Department or agency: _____

Name: _____

City position or title: _____

Department or agency: _____



Name: _____

City position or title: _____

Department or agency: _____

Name: _____

City position or title: _____

Department or agency: _____

Name: _____

City position or title: _____

Department or agency: _____

Name: _____

City position or title: _____

Department or agency: _____

Additional Witness Information

| Name | Address | Telephone | Email Address |
|------|---------|-----------|---------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

CITY OF STOCKBRIDGE, GEORGIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

CITY OF STOCKBRIDGE, GEORGIA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

Prepared By: Department Of Finance

CITY OF STOCKBRIDGE, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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CITY OF STOCKBRIDGE, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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INTRODUCTORY SECTION



November 13, 2023

To the Honorable Mayor, Distinguished Members of City Council
and the Citizens of the City of Stockbridge

Ladies and Gentlemen:

State Law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Stockbridge, Georgia (the "City") for the fiscal year ended December 31, 2022.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Mauldin and Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of the report. A single audit was necessary in 2022. The requirement for a single audit is the expense of \$750,000 or more in federal funds.

Government Auditing Standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements. This report is available under a separate cover.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Stockbridge was founded in 1829 and was incorporated as a city in 1920. The City is in the northern part of Henry County, Georgia and is approximately eighteen miles from the state capital of Atlanta. The City is a municipal corporation created under the laws of the State of Georgia and has its corporate name as "City of Stockbridge, Georgia." The affairs of the City are conducted by a Mayor and a five-member City Council. The Mayor and City Council members are elected at large. This elected body is responsible for the active coordination of community resources, to anticipate problems and meet community needs.

The City Manager, who is appointed by the Mayor and City Council, oversees the day-to-day operations of the City and ensures the smooth and efficient delivery of City services. All activities and functions of the City are administered by the City Manager under the jurisdiction of the Mayor and City Council, as set forth in State and local law.

The City provides a full range of services to approximately 29,064 residents. These services are provided in whole either by the City or through contractual agreements with Henry County. They include public safety (police and fire), community development, highways and streets, water, sewer, sanitation, public improvements, planning and zoning, code enforcement and general administrative services. The City currently employs 147 full-time employees.

The City is one of four incorporated municipalities within Henry County and is not included in Henry County's reporting entity.

The annual budget serves as the foundation for the City's financial planning and control. All funds and departments of the City are required to submit requests for appropriations to the City Manager in August of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review in October. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31st, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. Department supervisors may make transfers of appropriations within a department. Transfers of appropriations between departments require the special approval of the governing council. Budget to actual comparisons is provided in this report for the general fund. These comparisons are presented beginning on page 14 of the basic financial statements.

On January 1, 1995, the City received its status as a Certified City by the State of Georgia Department of Community Affairs. The State designated the Stockbridge Main Street Program on January 26, 2015. The Main Street Program was established to design an identifiable downtown historic district that promotes economic vitality, encourages cultural enrichment, and nurtures a collaborative community spirit.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Strategic Financial Planning

The Mayor and Council of the City are very diligent with budgeting and planning. With the Joint Comprehensive Development Plan, the Short-Term Work program as well as other programs, we share in the planning for growth and development of infrastructure with our county. These plans also address population, economic development, natural histories, and cultural resources as well as transportation and community facilities throughout the City and county. In May 2016, sanitation services were contracted through Waste Industries at no additional cost to the citizens. Waste Industries also offers curbside recycling services. Henry County diverted the tickets from our Municipal Court revenues for fines and forfeitures to the Henry County State Court in McDonough, thus reducing court revenue by 49% until July 1, 2022, when the Stockbridge Police Department was implemented.

Local Economy

The City is intersected by two interstate expressways, I-75 and I-675. These heavily traveled interstates bring tourists into our City. The tourists boost the sales tax revenue as well as the Hotel/Motel tax revenue. The City has a Hotel/Motel tax rate of 8%. We currently have five hotels in the city limits of Stockbridge for which we receive this tax revenue. This revenue has increased due to the overall economy.

Our citizen's employment, as well as our local economy, depends largely on what happens in and around Atlanta. The 2022 unemployment rates for the State of Georgia and the City, are at 3.1 and 2.9%, respectively. Property values have increased 18% in the net maintenance and operation tax digest from 2021 to 2022.

The City depends largely on Local Option Sales Tax for revenue. The 2022 sales tax revenue increased by approximately 10.2% compared to 2021. Other increases in revenue occurred in occupational taxes and insurance premium taxes. Franchise taxes were up overall by \$119,685 in 2022 from 2021.

RELEVANT FINANCIAL POLICIES

Fiscal Policies

The City actively supports economic development efforts to expand our revenue base and extend support to local business owners already established within our City limits. Budgeted revenue projections are made conservatively so that actual revenues will consistently meet or exceed budgeted revenues. The City provides medical, dental, and life insurance for its employees. The cost for these benefits is shared by the City and its employees. The City also provides a defined benefit pension plan for the City employees and elected officials.

Treasury Policies

The City's financial policies authorize investment in any securities approved by the State of Georgia for local governments. The City administers the conservative treasury approach, and we employ safe and financially stable practices to protect the City's liquid assets. Other policies that have been established by the Council include Capital Assets, as well as Purchasing and Procurement.

Debt Administration

On December 31, 2022, the only outstanding long-term debt of the City, other than compensated absences and net pension liability, were Urban Redevelopment Agency revenue bonds in the amount of \$8,835,000. Under current state statutes, the City's general obligation bonded debt issuances are subject to a legal limitation based on 10% of total assessed value of real and personal property. As of December 31, 2022, the City did not have any general obligation bonded debt outstanding. The City's legal limit was \$128,615,094 and related debt per capita was zero.

The City's Water and Sewer Enterprise Fund was issued a note by the Georgia Environmental Facilities Authority in 2010 to finance construction projects to improve the City's water distribution facilities. The outstanding balance that matures in 2031 is \$1,023,845 at the end of 2022.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

In 2016, the Mayor and Council adopted a Mission Statement:

To provide visionary leadership and superior municipal services that enhance the quality of life for the citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events. They are passionate on establishing the Values of PEACE.

Professionalism
Excellence
Adaptability
Communications
Ethics

Special Purpose Local Option Sales Tax IV was passed by the citizens in November of 2013. We began receiving these funds in May of 2014. The plans are to use these funds for Capital Projects such as roads, bridges, sidewalks as well as public works facilities and equipment, parks and recreation and public safety facilities and equipment.

There are currently several projects that are being funded through our SPLOST revenues and supplemented by fund balance in the enterprise funds or Community Development Block Grant Funds:

- Ted Strickland Building Renovations
Approximately \$500,000
- Police Department Facility Renovations
Approximately \$3,000,000
- Water Source Development
Approximately \$1,000,000
- Sewer Line Replacement
Approximately \$1,000,000

The Future

The Mayor and Council are working on the Main Street Revitalization and Economic Development in our downtown area. In 2017, the Carrie Mae Hambrick building was demolished with plans to rebuild a state-of-the-art community center. Future considerations include a fiber optic network for our City buildings and downtown area. The City is designing/building a new Cultural Art Facility, Public Works Warehouse Facility, and Senior/Youth Center.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual financial report for the fiscal year ended December 31, 2021. The City is hopeful to obtain this prestigious award once again this year.

The Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff (current and former) of the finance and administration departments. We would like to express our appreciation to all members of the department who assisted and contributed to the preparations of this report. The independent audit firm of Mauldin & Jenkins, LLC is also to be commended for their guidance and assistance in the preparation of this document.

We would like to also thank the Mayor, Members of City Council, City Manager and Department Heads for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Frederick Gardiner
City Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Stockbridge
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

**ORGANIZATIONAL CHART
DECEMBER 31, 2022**



CITY OF STOCKBRIDGE, GEORGIA
LIST OF ELECTED AND APPOINTED OFFICIALS
DECEMBER 31, 2022

LEGISLATIVE BRANCH
MAYOR AND CITY COUNCIL

| | |
|-----------------|----------------|
| Anthony Ford | Mayor |
| Alphonso Thomas | Mayor Pro Tem |
| John Blount | Council Member |
| LaKeisha Gantt | Council Member |
| Elton Alexander | Council Member |
| Yolanda Barber | Council Member |

OFFICERS OF THE COUNCIL

| | |
|--------------------|-------------------|
| Frederick Gardiner | City Manager |
| Vanessa Holiday | City Clerk |
| Randi Rainey | Deputy City Clerk |
| Quinton Washington | City Attorney |
| Jeremy Berry | City Attorney |

JUDICIAL BRANCH

| | |
|----------------|-----------------------|
| Matthew McCord | Municipal Court Judge |
| Julie Kert | City Solicitor |
| Genea Stanley | Court Clerk |

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members
of the City Council
City of Stockbridge, Georgia
Stockbridge, Georgia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Stockbridge, Georgia's (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund and the American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

The City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of January 1, 2022. This standard significantly changed the accounting for the City's leases and the related disclosures. See Notes 6 and 7. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 13), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on pages 58 and 59), and the Schedule of City Contributions (on pages 60 and 61) 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 ("RSI") in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax proceeds, as required by O.C.G.A. §48-8-269.5, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, Schedule of Expenditures of Federal Awards, the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds, Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax proceeds, and the Schedule of Expenditures of Federal Awards (the "supplementary information") are 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
November 13, 2023

CITY OF STOCKBRIDGE, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

As management of the City of Stockbridge, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows on December 31, 2022, by \$115,487,724 (total net position). Of this amount, \$9,901,805 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position, on an entity-wide basis, increased by \$13,471,851. Of this amount, a decrease of \$12,087,661 was associated with governmental activities and an increase of \$25,559,512 was associated with business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$45,095,149, a decrease of \$993,101 in comparison with the prior year. Of this amount, \$951,417 is unassigned and available for spending and \$40,535,859 is restricted by third parties or assigned for other specific future uses.
- At the end of the current year, unassigned fund balance for the General Fund was \$1,212,272, or 6.7%, of total General Fund expenditures.
- The City's total debt obligations decreased by a net \$2,580,018 for an overall decrease of 7.0% in total debt obligations. The Net Pension Liability increased by \$734,095 and accrued compensated absences increased by \$141,719. Due to the implementation of GASB Statement No. 87, *Leases*, as of January 1, 2022, lease liability increased by \$105,492. Bonds and notes payable decreased by \$3,561,324 due to scheduled debt service payments.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements; and
- 3) Notes to the financial statements.

The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report also contains other supplementary information that will enhance the reader's understanding of the financial condition of the City.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Basic Financial Statements

The first two statements in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the City's financial position.

The next statements are Fund Financial Statements. These statements focus on the activities of the individual parts of the City government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements:

- 1) The governmental funds statements;
- 2) The budgetary comparison statements; and
- 3) The proprietary fund statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds.

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

The Statement of Net Position presents information on all the City's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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, public safety and courts, highways and streets, parks and recreation, tourism and promotion, and code enforcement. The business-type activities of the City are water and sewer, solid waste management, conference center, community center, amphitheater and stormwater management.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 two categories: governmental funds and proprietary funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 the two.

The City maintains six major governmental funds. The City's major governmental funds are the General Fund, American Rescue Plan Act ("ARPA") Fund, Public Facilities Authority Fund, the Special Purpose Local Option Sales Tax ("SPLOST") V Capital Project Fund, the City-wide Capital Projects Fund, and the Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Capital Project Fund. 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 all major funds. The nonmajor funds are the Hotel/Motel Fund, the Grants Fund, the Perpetual Care Permanent Fund, the Downtown Development Authority ("DDA") Fund, the State and Federal Grants Fund, the Impact Fee Fund and the Urban Redevelopment Fund, along with the SPLOST III Capital Project Fund, and the SPLOST IV Capital Project Fund.

The City adopts an annual budget for the Hotel/Motel Fund, Grants Fund, Burke Cemetery Fund, the Downtown Development Authority Fund, the Urban Redevelopment Fund, and the Impact Fee Fund. The City is required by state law to adopt annual budgets for the General Fund and its special revenue funds (Hotel/Motel Tax Fund and Grants Fund). Budgetary comparison statements have been provided for the General Fund for the fiscal year 2022 budget. The City adopts project length budgets for the SPLOST Capital Projects Funds, the Public Facilities Authority Fund, the City-wide Capital Projects Fund, the TSPLOST Fund, and the State and Federal Grants Fund.

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, Solid Waste Management Fund, Amphitheater Fund, Stormwater Management Fund, and the Conference Center Fund. The first three enterprise funds are considered by the City to be major funds.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the City's major funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. On December 31, 2022, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$115,487,724. The City's net position reflects its investment in capital assets of \$80,264,522 (69.5%), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens, and they are not available for future spending. Although the investment in 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. Of the total net position, \$25,060,542 (21.7%) is restricted to capital projects and other external restrictions on how they may be used. The unrestricted amount of \$10,162,660 (8.8%) may be used to meet the government's ongoing obligations to citizens and creditors.

The following is a comparison statement of the City's net position as of December 31, 2022:

| | Activities | | Activities | | Totals | |
|-----------------------------------|---------------|---------------|---------------|---------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 52,680,302 | \$ 53,065,492 | \$ 8,091,106 | \$ 7,997,539 | \$ 60,771,408 | \$ 61,063,031 |
| Capital assets | 51,349,010 | 65,939,935 | 48,045,415 | 22,629,252 | 99,394,425 | 88,569,187 |
| Total assets | 104,029,312 | 119,005,427 | 56,136,521 | 30,626,791 | 160,165,833 | 149,632,218 |
| Deferred outflows of resources | | | | | | |
| Pension | 558,826 | 415,829 | 495,029 | 261,346 | 1,053,855 | 677,175 |
| Long-term liabilities outstanding | 32,796,027 | - | 1,513,968 | 2,227,816 | 34,309,995 | 2,227,816 |
| Other liabilities | 7,906,382 | 7,330,232 | 2,253,903 | 1,236,577 | 10,160,285 | 8,566,809 |
| Total liabilities | 40,702,409 | 7,330,232 | 3,767,871 | 3,464,393 | 44,470,280 | 10,794,625 |
| Deferred inflows of resources | | | | | | |
| Pension | 669,032 | 1,133,230 | 592,652 | 712,229 | 1,261,684 | 1,845,459 |
| Net position: | | | | | | |
| Net investment in capital assets | 33,292,952 | 48,261,529 | 46,971,570 | 21,459,083 | 80,264,522 | 69,720,612 |
| Restricted | 25,321,397 | 11,599,061 | - | - | 25,321,397 | 11,599,061 |
| Unrestricted | 4,602,348 | 15,443,768 | 5,299,457 | 5,252,432 | 9,901,805 | 20,696,200 |
| Total net position | \$ 63,216,697 | \$ 75,304,358 | \$ 52,271,027 | \$ 26,711,515 | \$ 115,487,724 | \$ 102,015,873 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities. Governmental activities decreased the City's net position by \$12,087,661, primarily because of transferring Amphitheater assets from the governmental activities to the proprietary funds and due to an increase of transfers from the governmental funds to supplement the proprietary funds during 2022. Other key elements of this decrease are as follows:

City of Stockbridge Changes in Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|----------------------------|---------------|-----------------------------|---------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 1,509,362 | \$ 1,439,128 | \$ 7,298,821 | \$ 6,951,378 | \$ 8,808,183 | \$ 8,390,506 |
| Capital grants and contributions | 32,021,633 | 11,203,137 | 24,555,035 | 563,657 | 56,576,668 | 11,766,794 |
| General revenues | | | | | | |
| Other tax | 7,485,614 | 7,091,392 | - | - | 7,485,614 | 7,091,392 |
| Interest | 1,256 | 1,894 | - | - | 1,256 | 1,894 |
| Total Revenues | 41,017,865 | 19,735,551 | 31,853,856 | 7,515,035 | 72,871,721 | 27,250,586 |
| Expenses: | | | | | | |
| General Government | 14,215,859 | 3,760,382 | - | - | 14,215,859 | 3,760,382 |
| Judicial | 1,625,210 | 155,059 | - | - | 1,625,210 | 155,059 |
| Public safety | 8,317,170 | 345,410 | - | - | 8,317,170 | 345,410 |
| Public works | 20,668,385 | 3,149,973 | - | - | 20,668,385 | 3,149,973 |
| Health and welfare | - | 42,502 | - | - | - | 42,502 |
| Culture and Recreation | - | 376,263 | - | - | - | 376,263 |
| Housing and development | 2,989,823 | 1,972,305 | - | - | 2,989,823 | 1,972,305 |
| Interest on long-term debt | 914,109 | 1,381,846 | - | - | 914,109 | 1,381,846 |
| Water and sewer | - | - | 4,457,740 | 4,370,327 | 4,457,740 | 4,370,327 |
| Stormwater management | - | - | 579,548 | 628,728 | 579,548 | 628,728 |
| Solid waste | - | - | 1,884,867 | 1,658,235 | 1,884,867 | 1,658,235 |
| Conference center | - | - | 665,555 | 2,315,364 | 665,555 | 2,315,364 |
| Community center | - | - | - | 567,622 | - | 567,622 |
| Amphitheater | - | - | 3,081,604 | - | 3,081,604 | - |
| Total Expenses | 48,730,556 | 11,183,740 | 10,669,314 | 9,540,276 | 59,399,870 | 20,724,016 |
| Increase (decrease) in net position before transfers | (7,712,691) | 8,551,811 | 21,184,542 | (2,025,241) | 13,471,851 | 6,526,570 |
| Transfers | (4,374,970) | 154,386 | 4,374,970 | (154,386) | - | - |
| Increase (decrease) in net position | (12,087,661) | 8,706,197 | 25,559,512 | (2,179,627) | 13,471,851 | 6,526,570 |
| Net position - beginning of year | 75,304,358 | 66,598,161 | 26,711,515 | 28,891,142 | 102,015,873 | 95,489,303 |
| Net position - end of year | \$ 63,216,697 | \$ 75,304,358 | \$ 52,271,027 | \$ 26,711,515 | \$ 115,487,724 | \$ 102,015,873 |

- Revenues from Local Option Sales Tax (reported as intergovernmental revenues/capital contributions) increased by \$604,932, or 10.2%, from 2021 to 2022. This increase is due to the overall economy. SPLOST increased by \$9,588,376, or 73.4%, for the SPLOST V revenues, due to the beginning of revenue collections of SPLOST V.
- Investment earnings decreased from 2021 to 2022. This is due to the fluctuations in interest rates.
- The City received \$281,849 for Local Maintenance Improvement Grants for the year associated with street improvements.
- Revenue from Courts was up \$199,990 due to municipal court receiving fines on current and past cases.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities. Business-type activities increased the City's net position by \$25,559,512. The increase is basically the result of the capital contributions and transfers from the SPLOST V Fund to the Water and Sewer Fund and the Conference Center Fund. The transfer from the City's General Fund to the Conference Center is to supplement the operation. The sanitation department privatized the collection of residential solid waste with Waste Industries and the startup proved beneficial.

Financial Analysis of the Government's Funds

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

Governmental Funds. The purpose of the City's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

On December 31, 2022, the City's governmental funds reported combined ending fund balances of \$45,095,149, a decrease of \$993,101 in comparison to the prior year. Of this amount, \$951,417 (2.1%) is unassigned fund balance, which is available for spending at the government's discretion. Additionally, \$40,535,859 is restricted by third parties for: 1) capital items, most of which is funded mainly by the proceeds of the SPLOST (\$39,430,598); 2) Perpetual Care of the City's cemetery (\$6,950); and 3) tourism (\$1,098,311). The General Fund's decrease of fund balance in the amount of \$11,581,788, mainly resulted from transfers out to other funds for local capital outlay projects.

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,212,272. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 6.7% of the total General Fund expenditures, while total fund balance represents 24.5% of that same amount.

During the current fiscal year, the fund balance of the City's General Fund decreased by \$11,581,788. A key factor in the decrease is due to an increase in funds transferred out. The City collected a total of \$6,540,225 in local option sales taxes for 2022, an increase of 10.2% over 2021. Franchise taxes increased by 8.0% to \$1,614,172 in 2022 from \$1,494,487 in 2021, for electric, television and telephone taxes. The City's General Fund revenues increased due to an increase in tax revenues. The expenditures in General Fund increased by 72.2%, from \$10,586,099 to \$18,225,910 in 2022 compared to 2021.

The City received \$13,063,820 in SPLOST in 2022 compared to \$3,476,312 in 2021. This is up by 275.8% due primarily to the collections starting in April 2021 for SPLOST V. The projects approved for SPLOST V include new park equipment, the City's share of roads, bridges, sidewalks and transportation facilities and public safety facilities and equipment.

As of December 31, 2022, the Urban Redevelopment Agency of the City had long-term liabilities from Revenue Bonds in the amount of \$8,835,000. The majority of these funds were used for purchasing property and building and furnishing a new City Hall facility which was completed in 2009. The cost of the building is approximately \$11,964,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Hotel/Motel Tax Fund is used to promote tourism in the City. The fund is used to account for proceeds from the City's Hotel/Motel tax. The City is required to pay Henry County Chamber of Commerce 43.75% of all payments. The total fund balance on December 31, 2022 for this fund amounted to \$1,098,311.

The City has a Perpetual Care Permanent Fund which is for the upkeep of the City cemetery. A donation of \$5,000 was made with only the investment earnings to be used for cemetery upkeep purposes. Currently, the City has not used any of these proceeds.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position of the proprietary funds at the end of the year were \$5,299,457 of which the Water and Sewer Fund had \$2,669,176 (50%), the Solid Waste Fund had \$1,194,815 (23%), the Amphitheater Fund had \$358,504 (7%), and all other enterprise funds had \$1,076,962 (20%). Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The original budget for the City's General Fund for 2022 was \$16,366,986. There was a \$1,982,748 difference between the net change in fund balance from the original budget.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities on December 31, 2022, amounts to \$99,394,425 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges, and roads.

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

- \$436,495 for Public Works Department Vehicles and Sidewalk Repairs.
- \$1,299,637 for Amphitheater final payments.
- \$3,591,398 for Police Department Building Renovation.
- \$195,125 for Merle Manders Renovation Improvements.
- \$338,355 for Stormwater Improvements, Vehicle, and Equipment.
- \$33,337 for Watershed Monitoring.
- \$1,308,659 for Amphitheater Road Paving Projects Design - SPLOST IV.
- \$202,395 for Public Works Facility Construction – SPLOST IV.
- \$374,633 for the Ted Strickland Building Renovation – SPLOST IV.
- \$4,707,847 for the Police Department Vehicles and Equipment ARPA Funds.
- \$2,113,178 for Sewer Department Improvements – ARPA Funds.
- \$142,464 for the Stormwater Improvements – ARPA Funds.
- \$31,395 for Water System Improvements – ARPA Funds.
- \$305,725 for Sewer Repair – Grant Funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on the City's capital assets can be found in Note 6.

Long-term debt. At the end of the current fiscal year, the City had \$34,309,995 in outstanding debt consisting of the following:

| | <u>Balance</u> |
|------------------------------|---------------------------------|
| Governmental Activities | |
| Revenue Bonds | \$ 31,955,000 |
| Accrued Compensated Absences | 271,399 |
| Net Pension Liability | 464,136 |
| Lease liability | 105,492 |
| Business-Type Activities | |
| GEFA Notes Payable | 1,023,845 |
| Accrued Compensated Absences | 78,975 |
| Net Pension Liability | <u>411,148</u> |
| TOTAL | <u><u>\$ 34,309,995</u></u> |

The City's total debt decreased by \$2,580,018. Additional information on the City's long-term debt can be found in Note 8.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is \$128,615,094, which is in excess of the City's outstanding general obligation debt.

Economic Factors and Next Year's Budgets and Rates

- The estimated unemployment rate for the City is currently 2.9%, which is slightly below the state and the national rates.
- Cost of Living indices in the region compare favorably to national indices.
- Occupational Taxes (Business Licenses) were up from 2022 due to the economic rebound. These are based on gross receipts.
- Sales tax receipts have been rising in recent months.
- During 2022 and going forward, the City will continue to do its best to secure additional funding sources, such as fees, grants and private participation, to continue to construct roads and capital projects and purchase and improve capital items.

All of these factors were considered in preparing the City's budget for Fiscal Year 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Requests for Information

This financial report is designed to provide a general overview of the City of Stockbridge's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 389-7900 or at the following address:

City of Stockbridge
Finance Department
4640 North Henry Boulevard
Stockbridge, Georgia 30281

BASIC FINANCIAL STATEMENTS

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2022

| | Primary Government | | |
|---|-------------------------|--------------------------|----------------|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 47,313,735 | \$ 7,033,256 | \$ 54,346,991 |
| Investments | 12,284 | 58,000 | 70,284 |
| Taxes receivable | 2,654,368 | - | 2,654,368 |
| Accounts receivable, net of allowances | 61,171 | 820,209 | 881,380 |
| Due from other governments | 68,459 | 14,768 | 83,227 |
| Inventories | - | 97,867 | 97,867 |
| Prepaid expenses | 373,253 | 67,006 | 440,259 |
| Assets held for resale | 2,197,032 | - | 2,197,032 |
| Leased assets, net of accumulated amortization | 97,824 | - | 97,824 |
| Capital assets, non-depreciable | 22,218,183 | 8,742,866 | 30,961,049 |
| Capital assets, depreciable, net of accumulated depreciation | 29,033,003 | 39,302,549 | 68,335,552 |
| Total assets | 104,029,312 | 56,136,521 | 160,165,833 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension | 558,826 | 495,029 | 1,053,855 |
| Total deferred outflows of resources | 558,826 | 495,029 | 1,053,855 |
| LIABILITIES | | | |
| Accounts payable | 2,845,769 | 339,964 | 3,185,733 |
| Retainage payable | 488,949 | 50,000 | 538,949 |
| Accrued interest expense | 370,887 | 2,920 | 373,807 |
| Other accrued expenses | 151,946 | 25,367 | 177,313 |
| Customer deposits | - | 136,045 | 136,045 |
| Leases, due within one year | 27,688 | - | 27,688 |
| Leases, due in more than one year | 77,804 | - | 77,804 |
| Compensated absences due within one year | 54,280 | 15,795 | 70,075 |
| Compensated absences due in more than one year | 217,119 | 63,180 | 280,299 |
| Unearned revenue | 4,048,831 | 1,699,607 | 5,748,438 |
| Bonds payable due within one year | 4,735,000 | - | 4,735,000 |
| Bonds payable due in more than one year | 27,220,000 | - | 27,220,000 |
| Notes payable due within one year | - | 97,777 | 97,777 |
| Notes payable due in more than one year | - | 926,068 | 926,068 |
| Net pension liability due in more than one year | 484,136 | 411,148 | 875,284 |
| Total liabilities | 40,702,409 | 3,767,871 | 44,470,280 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pension | 669,032 | 592,652 | 1,261,684 |
| Total deferred inflows of resources | 669,032 | 592,652 | 1,261,684 |
| NET POSITION | | | |
| Net investment in capital assets | 33,292,952 | 46,971,570 | 80,264,522 |
| Restricted for capital projects | 24,211,136 | - | 24,211,136 |
| Restricted for tourism | 1,098,311 | - | 1,098,311 |
| Restricted for cemetery maintenance - non-expendable | 5,000 | - | 5,000 |
| Restricted for cemetery maintenance - expendable | 6,950 | - | 6,950 |
| Unrestricted | 4,602,348 | 5,299,457 | 9,901,805 |
| Total net position | \$ 63,216,697 | \$ 52,271,027 | \$ 115,487,724 |

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

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| Functions/Programs | Expenses | Program Revenues | |
|--------------------------------|----------------------|----------------------|----------------------------------|
| | | Charges for Services | Capital Grants and Contributions |
| Primary government | | | |
| Governmental activities: | | | |
| General government | \$ 14,215,859 | \$ 1,252,877 | \$ 8,173,804 |
| Judicial | 1,625,210 | 256,485 | 475,956 |
| Public safety | 8,317,170 | - | 7,698,050 |
| Public works | 20,668,385 | - | 12,310,711 |
| Housing and development | 2,989,823 | - | 3,363,112 |
| Interest on long-term debt | 914,109 | - | - |
| Total governmental activities | <u>48,730,556</u> | <u>1,509,362</u> | <u>32,021,633</u> |
| Business-type activities: | | | |
| Water and sewer | 4,457,740 | 3,991,542 | 1,752,918 |
| Stormwater | 579,548 | 1,037,207 | 73,188 |
| Solid waste | 1,884,867 | 1,811,707 | - |
| Amphitheater | 3,081,604 | 447,580 | 20,509,745 |
| Conference center | 665,555 | 10,785 | 2,219,184 |
| Total business-type activities | <u>10,669,314</u> | <u>7,298,821</u> | <u>24,555,035</u> |
| Total primary government | <u>\$ 59,399,870</u> | <u>\$ 8,808,183</u> | <u>\$ 56,576,668</u> |

General revenues:

- Property taxes
- Franchise taxes
- Alcoholic beverage excise taxes
- Business and occupation taxes
- Insurance premium taxes
- Hotel/motel taxes
- Other taxes
- Unrestricted investment earnings

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

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

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

| Governmental Activities | Business-type Activities | Total |
|------------------------------------|-------------------------------------|-----------------------|
| \$ (4,789,178) | \$ - | \$ (4,789,178) |
| (892,769) | - | (892,769) |
| (619,120) | - | (619,120) |
| (8,357,674) | - | (8,357,674) |
| 373,289 | - | 373,289 |
| (914,109) | - | (914,109) |
| <u>(15,199,561)</u> | <u>-</u> | <u>(15,199,561)</u> |
| - | 1,286,720 | 1,286,720 |
| - | 530,847 | 530,847 |
| - | (73,160) | (73,160) |
| - | 17,875,721 | 17,875,721 |
| - | 1,564,414 | 1,564,414 |
| <u>-</u> | <u>21,184,542</u> | <u>21,184,542</u> |
| <u>(15,199,561)</u> | <u>21,184,542</u> | <u>5,984,981</u> |
| 770,169 | - | 770,169 |
| 1,614,172 | - | 1,614,172 |
| 851,324 | - | 851,324 |
| 1,210,279 | - | 1,210,279 |
| 2,389,696 | - | 2,389,696 |
| 484,363 | - | 484,363 |
| 165,611 | - | 165,611 |
| 1,256 | - | 1,256 |
| <u>(4,374,970)</u> | <u>4,374,970</u> | <u>-</u> |
| <u>3,111,900</u> | <u>4,374,970</u> | <u>7,486,870</u> |
| <u>(12,087,661)</u> | <u>25,559,512</u> | <u>13,471,851</u> |
| <u>75,304,358</u> | <u>26,711,515</u> | <u>102,015,873</u> |
| <u>\$ 63,216,697</u> | <u>\$ 52,271,027</u> | <u>\$ 115,487,724</u> |

CITY OF STOCKBRIDGE, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2022

| | General Fund | ARPA Fund | Public Facilities Authority | SPLOST V Fund |
|---|---------------------|---------------------|-----------------------------|----------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,715,725 | \$ 3,456,051 | \$ 15,219,462 | \$ 14,987,594 |
| Investments | - | - | - | - |
| Taxes receivable | 2,020,738 | - | - | 596,482 |
| Accounts receivable | 58,671 | - | - | - |
| Due from other governments | 68,459 | - | - | - |
| Prepaid expenditures | 372,687 | - | - | - |
| Assets held for resale | 2,197,032 | - | - | - |
| Total assets | <u>\$ 6,433,312</u> | <u>\$ 3,456,051</u> | <u>\$ 15,219,462</u> | <u>\$ 15,584,076</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 639,344 | \$ 260,685 | \$ - | \$ 880,239 |
| Retainage payable | 159,993 | 117,678 | - | 91,236 |
| Accrued liabilities | 151,946 | - | - | - |
| Unearned revenue - occupational taxes | 971,143 | - | - | - |
| Unearned revenue - grants | - | 3,077,688 | - | - |
| Total liabilities | <u>1,922,426</u> | <u>3,456,051</u> | <u>-</u> | <u>971,475</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - court fines | 44,487 | - | - | - |
| Unavailable revenue - franchise taxes | 5,171 | - | - | - |
| Total deferred inflows of resources | <u>49,658</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Fund balances | | | | |
| Non-spendable: | | | | |
| Prepays | 372,687 | - | - | - |
| Permanent fund corpus | - | - | - | - |
| Assets held for resale | 2,197,032 | - | - | - |
| Restricted for: | | | | |
| Capital projects | - | - | 15,219,462 | 14,612,601 |
| Tourism | - | - | - | - |
| Cemetery maintenance | - | - | - | - |
| Assigned for: | | | | |
| Purchases on order | 679,237 | - | - | - |
| Capital projects | - | - | - | - |
| Unassigned | 1,212,272 | - | - | - |
| Total fund balances | <u>4,461,228</u> | <u>-</u> | <u>15,219,462</u> | <u>14,612,601</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 6,433,312</u> | <u>\$ 3,456,051</u> | <u>\$ 15,219,462</u> | <u>\$ 15,584,076</u> |

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets and lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

The net pension liability and related deferred outflows and inflows of resources are not financial resources and, therefore, are not reported in the governmental funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net position of governmental activities

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

| City-wide Capital Projects Fund | TSPLOST Fund | Other Governmental Funds | Total Governmental Funds |
|------------------------------------|---------------------|--------------------------------|--------------------------------|
| \$ 313,993 | \$ 4,526,906 | \$ 7,094,004 | \$ 47,313,735 |
| - | - | 12,284 | 12,284 |
| - | - | 37,148 | 2,654,368 |
| - | - | 2,500 | 61,171 |
| - | - | - | 68,459 |
| - | - | 566 | 373,253 |
| - | - | - | 2,197,032 |
| <u>\$ 313,993</u> | <u>\$ 4,526,906</u> | <u>\$ 7,146,502</u> | <u>\$ 52,680,302</u> |

| | | | |
|----------------|----------|----------------|------------------|
| \$ 303,993 | \$ - | \$ 761,508 | \$ 2,845,769 |
| 10,000 | - | 110,042 | 488,949 |
| - | - | - | 151,946 |
| - | - | - | 971,143 |
| - | - | - | 3,077,688 |
| <u>313,993</u> | <u>-</u> | <u>871,550</u> | <u>7,535,495</u> |

| | | | |
|---|---|---|--------|
| - | - | - | 44,487 |
| - | - | - | 5,171 |
| - | - | - | 49,658 |

| | | | |
|-------------------|---------------------|---------------------|-------------------|
| - | - | 566 | 373,253 |
| - | - | 5,000 | 5,000 |
| - | - | - | 2,197,032 |
| - | 4,526,906 | 5,071,629 | 39,430,598 |
| - | - | 1,098,311 | 1,098,311 |
| - | - | 6,950 | 6,950 |
| - | - | - | 679,237 |
| - | - | 353,351 | 353,351 |
| - | - | (260,855) | 951,417 |
| - | <u>4,526,906</u> | <u>6,274,952</u> | <u>45,095,149</u> |
| <u>\$ 313,993</u> | <u>\$ 4,526,906</u> | <u>\$ 7,146,502</u> | |

51,349,010

49,658

(574,342)

(32,702,778)

\$ 03,210,097

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | General Fund | ARPA Fund | Public Facilities Authority | SPLOST V Fund |
|---|--------------|-----------|-----------------------------|---------------|
| Revenues | | | | |
| Taxes | \$ 6,998,931 | \$ - | \$ - | \$ - |
| Licenses and permits | 813,684 | - | - | - |
| Intergovernmental | 6,822,074 | 6,800,316 | - | 13,063,820 |
| Fines and forfeitures | 256,485 | - | - | - |
| Charges for services | 280,123 | - | - | - |
| Impact fees | - | - | - | - |
| Contributions | 31,560 | - | - | - |
| Interest income | 1,256 | - | - | 868 |
| Other revenues | 127,510 | - | - | - |
| Total revenues | 15,331,623 | 6,800,316 | - | 13,064,688 |
| Expenditures | | | | |
| Current: | | | | |
| General government | 5,878,186 | 340,365 | - | - |
| Judicial | 357,139 | - | - | - |
| Public safety | 4,435,360 | - | - | - |
| Public works and parks | 5,019,051 | - | - | - |
| Housing and development | 2,523,549 | - | - | - |
| Capital outlay: | | | | |
| General government | - | - | - | 240,613 |
| Public safety | - | 4,672,867 | - | - |
| Public works | - | 1,787,084 | 2,873,359 | 1,514,066 |
| Culture and recreation | - | - | - | 173,734 |
| Debt service: | | | | |
| Principal | 11,897 | - | 2,685,000 | - |
| Interest | 728 | - | 517,609 | - |
| Total expenditures | 18,225,910 | 6,800,316 | 6,075,968 | 1,928,413 |
| Excess (deficiency) of revenues over (under) expenditures | (2,894,287) | - | (6,075,968) | 11,136,275 |
| Other financing sources (uses) | | | | |
| Transfers in | 490,046 | - | 3,014,566 | - |
| Transfers out | (9,294,936) | - | - | - |
| Proceeds from leases | 117,389 | - | - | - |
| Total other financing sources (uses) | (8,687,501) | - | 3,014,566 | - |
| Net change in fund balances | (11,581,788) | - | (3,061,402) | 11,136,275 |
| Fund balances, beginning of year | 16,043,016 | - | 18,280,864 | 3,476,326 |
| Fund balances, end of year | \$ 4,461,228 | \$ - | \$ 15,219,462 | \$ 14,612,601 |

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

| City-wide Capital Projects Fund | TSPLOST Fund | Other Governmental Funds | Total Governmental Funds |
|------------------------------------|-----------------|--------------------------------|--------------------------------|
| \$ - | \$ - | \$ 484,363 | \$ 7,483,294 |
| - | - | - | 813,684 |
| - | 4,527,330 | 593,288 | 31,806,828 |
| - | - | - | 256,485 |
| - | - | - | 280,123 |
| - | - | 213,480 | 213,480 |
| - | - | - | 31,560 |
| - | - | 457 | 2,581 |
| - | - | - | 127,510 |
| - | 4,527,330 | 1,291,588 | 41,015,545 |
| - | 424 | - | 6,218,975 |
| - | - | - | 357,139 |
| - | - | - | 4,435,360 |
| - | - | 864,353 | 5,883,404 |
| - | - | 467,197 | 2,990,746 |
| 350,427 | - | 435,183 | 1,026,223 |
| 244,321 | - | - | 4,917,188 |
| 13,664 | - | 958,973 | 7,147,146 |
| 128,862 | - | 51,841 | 354,437 |
| - | - | 780,000 | 3,476,897 |
| - | - | 425,213 | 943,550 |
| 737,274 | 424 | 3,982,760 | 37,751,065 |
| (737,274) | 4,526,906 | (2,691,172) | 3,264,480 |
| 4,041,627 | - | 1,215,989 | 8,762,228 |
| (3,842,262) | - | - | (13,137,198) |
| - | - | - | 117,389 |
| 199,365 | - | 1,215,989 | (4,257,581) |
| (537,909) | 4,526,906 | (1,475,183) | (993,101) |
| 537,909 | - | 7,750,135 | 46,088,250 |
| \$ - | \$ 4,526,906 | \$ 6,274,952 | \$ 45,095,149 |

CITY OF STOCKBRIDGE, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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

| | |
|---|------------------------|
| Net change in fund balances - total governmental funds | \$ (993,101) |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period. | 8,111,904 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. | (22,800,653) |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | 2,320 |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. | 3,457,332 |
| 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. | <u>134,537</u> |
| Changes in net position - governmental activities | <u>\$ (12,087,661)</u> |

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

CITY OF STOCKBRIDGE, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Budget | | Actual | Variance With Final Budget |
|---|---------------|---------------|--------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 2,000,000 | \$ 2,000,000 | \$ - | \$ (2,000,000) |
| Other taxes | 6,552,108 | 6,552,108 | 6,998,931 | 446,823 |
| Licenses and permits | 949,746 | 949,746 | 813,684 | (136,062) |
| Intergovernmental | 5,669,181 | 5,669,181 | 6,822,074 | 1,152,893 |
| Fines and forfeitures | 828,158 | 828,158 | 256,485 | (571,673) |
| Charges for services | 130,759 | 130,759 | 280,123 | 149,364 |
| Contributions | 10,000 | 10,000 | 31,560 | 21,560 |
| Interest income | 1,723 | 1,723 | 1,256 | (467) |
| Other revenues | 225,311 | 225,311 | 127,510 | (97,801) |
| Total revenues | 16,366,986 | 16,366,986 | 15,331,623 | (1,035,363) |
| Expenditures | | | | |
| Current: | | | | |
| General government: | | | | |
| Mayor and council | 415,059 | 415,029 | 367,125 | 47,904 |
| Executive | 582,917 | 582,917 | 517,159 | 65,758 |
| City manager | 715,813 | 715,813 | 682,241 | 33,572 |
| Financial administration | 1,647,679 | 1,647,679 | 1,649,085 | (1,406) |
| Business services | 273,924 | 273,924 | 257,149 | 16,775 |
| Data processing | 649,582 | 649,582 | 661,906 | (12,324) |
| Building and plant | 979,734 | 979,734 | 1,077,488 | (97,754) |
| Human resources | 547,413 | 547,413 | 666,033 | (118,620) |
| Total general government | 5,812,121 | 5,812,091 | 5,878,186 | (66,095) |
| Judicial: | | | | |
| Municipal court | 454,085 | 454,085 | 357,139 | 96,946 |
| Public safety: | | | | |
| Police administration | 3,611,296 | 3,611,296 | 4,435,360 | (824,064) |
| Public works: | | | | |
| Public works | 3,881,424 | 5,448,701 | 4,826,941 | 621,760 |
| Parks | 357,500 | 357,500 | 192,110 | 165,390 |
| Total public works | 4,238,924 | 5,806,201 | 5,019,051 | 787,150 |
| Housing and development: | | | | |
| Code enforcement | 270,643 | 269,984 | 198,754 | 71,230 |
| Main street | 247,162 | 247,162 | 211,291 | 35,871 |
| Planning and zoning | 989,783 | 990,442 | 814,401 | 176,041 |
| Permitting development | 749,444 | 749,444 | 589,313 | 160,131 |
| City events | 280,000 | 280,000 | 709,790 | (429,790) |
| Total housing and development | 2,537,032 | 2,537,032 | 2,523,549 | 13,483 |
| Debt service: | | | | |
| Principal | - | - | 11,897 | (11,897) |
| Interest | - | - | 728 | (728) |
| Total debt service | - | - | 12,625 | (12,625) |
| Total expenditures | 16,653,458 | 18,220,705 | 18,225,910 | (5,205) |
| Deficiency of revenues under expenditures | (286,472) | (1,853,719) | (2,894,287) | (1,040,568) |
| Other financing sources (uses) | | | | |
| Proceeds from sale of assets | 10,000 | 10,000 | - | (10,000) |
| Transfers in | 121,260 | 121,260 | 490,046 | 368,786 |
| Transfers out | (1,827,536) | (1,827,536) | (9,294,936) | (7,467,400) |
| Proceeds from leases | - | - | 117,389 | 117,389 |
| Total other financing (uses), net | (1,696,276) | (1,696,276) | (8,687,501) | (6,991,225) |
| Net change in fund balances | (1,982,748) | (3,549,995) | (11,581,788) | (8,031,793) |
| Fund balances, beginning of year | 16,043,016 | 16,043,016 | 16,043,016 | - |
| Fund balances, end of year | \$ 14,060,268 | \$ 12,493,021 | \$ 4,461,228 | \$ (8,031,793) |

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

CITY OF STOCKBRIDGE, GEORGIA

ARPA FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Budget Original/Final | Actual | Variance With Final Budget |
|---|--------------------------|--------------|-------------------------------|
| Revenues | | | |
| Intergovernmental | \$ - | \$ 6,800,316 | \$ 6,800,316 |
| Total revenues | - | 6,800,316 | 6,800,316 |
| Expenditures | | | |
| Current: | | | |
| General government: | | | |
| Financial administration | 340,365 | 340,365 | - |
| Capital outlay: | | | |
| Public works | 8,565,458 | 1,787,084 | 6,778,374 |
| Total expenditures | 8,905,823 | 2,127,449 | 6,778,374 |
| Net change in fund balances | (8,905,823) | 4,672,867 | 13,578,690 |
| Fund balances, beginning of year | - | - | - |
| Fund balances, end of year | \$ (8,905,823) | \$ 4,672,867 | \$ 13,578,690 |

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

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2022

| | Water and Sewer Fund | Solid Waste Fund | Amphitheater Fund | Other Enterprise Funds | Total |
|--|-------------------------|---------------------|----------------------|------------------------------|---------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 2,510,746 | \$ 2,976,843 | \$ 376,320 | \$ 1,169,347 | \$ 7,033,256 |
| Investments | 58,000 | - | - | - | 58,000 |
| Accounts receivable, net of allowances | 496,310 | 76,740 | - | 247,159 | 820,209 |
| Due from other governments | 11,057 | 1,682 | - | 2,029 | 14,768 |
| Inventories | 97,867 | - | - | - | 97,867 |
| Prepaid expenses | 61,094 | 744 | 187 | 4,981 | 67,006 |
| Total current assets | 3,235,074 | 3,056,009 | 376,507 | 1,423,516 | 8,091,106 |
| NON-CURRENT ASSETS | | | | | |
| Capital assets: | | | | | |
| Capital assets, non-depreciable | 8,512,450 | - | - | 230,416 | 8,742,866 |
| Capital assets, depreciable, net of accumulated depreciation | 13,782,706 | 64,854 | 21,533,174 | 3,921,815 | 39,302,549 |
| Total capital assets | 22,295,156 | 64,854 | 21,533,174 | 4,152,231 | 48,045,415 |
| Total non-current assets | 22,295,156 | 64,854 | 21,533,174 | 4,152,231 | 48,045,415 |
| Total assets | 25,530,230 | 3,120,863 | 21,909,681 | 5,575,747 | 56,136,521 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pension | 216,092 | 14,501 | - | 264,436 | 495,029 |
| Total deferred outflows of resources | 216,092 | 14,501 | - | 264,436 | 495,029 |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts payable | 158,997 | 143,577 | 18,003 | 19,387 | 339,964 |
| Retainage payable | 50,000 | - | - | - | 50,000 |
| Accrued liabilities | 15,989 | 846 | - | 8,532 | 25,367 |
| Unearned revenue | - | 1,699,607 | - | - | 1,699,607 |
| Notes payable, current portion | 97,777 | - | - | - | 97,777 |
| Compensated absences due within one year | 9,901 | 452 | - | 5,442 | 15,795 |
| Customer deposits | 116,395 | - | - | 19,650 | 136,045 |
| Accrued interest | 2,920 | - | - | - | 2,920 |
| Total current liabilities | 451,979 | 1,844,482 | 18,003 | 53,011 | 2,367,475 |
| NON-CURRENT LIABILITIES | | | | | |
| Compensated absences due in more than one year | 39,605 | 1,808 | - | 21,767 | 63,180 |
| Net pension liability | 179,476 | 12,044 | - | 219,628 | 411,148 |
| Notes payable, long-term portion | 926,068 | - | - | - | 926,068 |
| Total non-current liabilities | 1,145,149 | 13,852 | - | 241,395 | 1,400,396 |
| Total liabilities | 1,597,128 | 1,858,334 | 18,003 | 294,406 | 3,767,871 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pension | 258,707 | 17,361 | - | 316,584 | 592,652 |
| Total deferred inflows of resources | 258,707 | 17,361 | - | 316,584 | 592,652 |
| NET POSITION | | | | | |
| Net investment in capital assets | 21,221,311 | 64,854 | 21,533,174 | 4,152,231 | 46,971,570 |
| Unrestricted | 2,669,176 | 1,194,815 | 358,504 | 1,076,962 | 5,299,457 |
| Total net position | \$ 23,890,487 | \$ 1,259,669 | \$ 21,891,678 | \$ 5,229,193 | \$ 52,271,027 |

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

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Water and Sewer Fund | Solid Waste Fund | Amphitheater Fund | Other Enterprise Funds | Total |
|--|-------------------------|---------------------|----------------------|------------------------------|----------------------|
| OPERATING REVENUES | | | | | |
| Charges for services: | | | | | |
| Water sales | \$ 2,122,479 | \$ - | \$ - | \$ - | \$ 2,122,479 |
| Sewer sales | 1,805,138 | - | - | - | 1,805,138 |
| Ticket sales | - | - | 445,080 | - | 445,080 |
| Stormwater fees | - | - | - | 1,037,207 | 1,037,207 |
| Sanitation charges | - | 1,698,287 | - | - | 1,698,287 |
| Rentals | - | 113,420 | - | 10,785 | 124,205 |
| Rents and royalties | - | - | 2,500 | - | 2,500 |
| Other fees and charges | 63,925 | - | - | - | 63,925 |
| Total operating revenues | <u>3,991,542</u> | <u>1,811,707</u> | <u>447,580</u> | <u>1,047,992</u> | <u>7,298,821</u> |
| OPERATING EXPENSES | | | | | |
| Personnel services and employee benefits | 1,478,307 | 92,295 | 33,715 | 850,918 | 2,455,235 |
| Contracted services | 641,410 | 1,764,411 | 2,471,671 | 100,940 | 4,978,432 |
| Supplies | 1,451,098 | 13,180 | - | 75,977 | 1,540,261 |
| Repairs and maintenance | 30,827 | - | - | 3,581 | 34,408 |
| Bad debt expense | 10,147 | - | - | - | 10,147 |
| Depreciation | 815,034 | 14,972 | 576,218 | 213,687 | 1,619,911 |
| Total operating expenses | <u>4,426,823</u> | <u>1,884,867</u> | <u>3,081,604</u> | <u>1,245,103</u> | <u>10,638,397</u> |
| Operating loss | <u>(435,281)</u> | <u>(73,160)</u> | <u>(2,634,024)</u> | <u>(197,111)</u> | <u>(3,339,576)</u> |
| NON-OPERATING (EXPENSE) | | | | | |
| Interest expense | (30,917) | - | - | - | (30,917) |
| Total non-operating expenses | <u>(30,917)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(30,917)</u> |
| Loss before capital contributions and transfers | (466,198) | (73,160) | (2,634,024) | (197,111) | (3,370,493) |
| CAPITAL CONTRIBUTIONS | 1,752,918 | - | 20,509,745 | 2,292,372 | 24,555,035 |
| TRANSFERS IN | - | - | 3,842,262 | 1,022,754 | 4,865,016 |
| TRANSFERS OUT | <u>(61,260)</u> | <u>-</u> | <u>-</u> | <u>(428,786)</u> | <u>(490,046)</u> |
| Change in net position | 1,225,460 | (73,160) | 21,717,983 | 2,689,229 | 25,559,512 |
| NET POSITION, beginning of year | <u>22,665,027</u> | <u>1,332,829</u> | <u>173,695</u> | <u>2,539,964</u> | <u>26,711,515</u> |
| NET POSITION, end of year | <u>\$ 23,890,487</u> | <u>\$ 1,259,669</u> | <u>\$ 21,891,678</u> | <u>\$ 5,229,193</u> | <u>\$ 52,271,027</u> |

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

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Water and Sewer Fund | Solid Waste Fund | Amphitheater Fund | Other Enterprise Funds | Totals |
|---|-------------------------|---------------------|----------------------|------------------------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | \$ 3,934,104 | \$ 1,816,184 | \$ 447,580 | \$ 1,982,260 | \$ 8,180,128 |
| Payments to suppliers and service providers | (2,126,538) | (1,772,752) | (2,453,855) | (1,225,090) | (7,578,235) |
| Payments to employees | (1,542,160) | (96,104) | (33,715) | (679,684) | (2,351,663) |
| Net cash provided by (used in) operating activities | 265,406 | (52,672) | (2,039,990) | 77,486 | (1,749,770) |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | | | |
| Transfers to other funds | (61,260) | - | - | (60,000) | (121,260) |
| Transfers from other funds | - | - | 3,842,262 | 653,968 | 4,496,230 |
| Net cash provided by non-capital financing activities | (61,260) | - | 3,842,262 | 593,968 | 4,374,970 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Purchase of property and equipment | (382,090) | - | (1,599,647) | (499,302) | (2,481,039) |
| Principal payments on notes payable | (96,324) | - | - | - | (96,324) |
| Interest paid | (30,917) | - | - | - | (30,917) |
| Net cash used in capital and related financing activities | (509,331) | - | (1,599,647) | (499,302) | (2,608,280) |
| Increase (decrease) in cash and cash equivalents | (305,185) | (52,672) | 202,625 | 172,152 | 16,920 |
| Cash and cash equivalents: | | | | | |
| Beginning of year | 2,815,931 | 3,029,515 | 173,695 | 997,195 | 7,016,336 |
| End of year | \$ 2,510,746 | \$ 2,976,843 | \$ 376,320 | \$ 1,169,347 | \$ 7,033,256 |

(Continued)

CITY OF STOCKBRIDGE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Water and Sewer Fund | Solid Waste Fund | Amphitheater Fund | Other Enterprise Funds | Total |
|---|-------------------------|---------------------|-----------------------|------------------------------|-----------------------|
| RECONCILIATION OF OPERATING | | | | | |
| LOSS TO NET CASH | | | | | |
| PROVIDED BY (USED IN) | | | | | |
| OPERATING ACTIVITIES | | | | | |
| Operating loss | \$ (435,281) | \$ (73,160) | \$ (2,634,024) | \$ (197,111) | \$ (3,339,576) |
| Adjustments to reconcile operating loss to net cash provided by (used in) operating activities: | | | | | |
| Depreciation | 815,034 | 14,972 | 576,218 | 213,687 | 1,619,911 |
| Increase in accounts receivable | (58,040) | (10,757) | - | (37,113) | (105,910) |
| Decrease in inventories | 5,476 | - | - | - | 5,476 |
| Decrease in due from other governments | 602 | 9,814 | - | 4,912 | 15,328 |
| Increase in deferred outflows of resources - pension | (64,918) | (4,445) | - | (164,320) | (233,683) |
| Increase in customer deposits | - | - | - | 19,650 | 19,650 |
| Decrease (increase) in prepaid expenses | 12,409 | - | (187) | (3,763) | 8,459 |
| Increase in accrued liabilities | 6,385 | 734 | - | 12,939 | 20,058 |
| Increase (decrease) in accounts payable | (10,941) | 4,848 | 18,003 | (13,894) | (1,984) |
| Increase in unearned revenue | - | 5,420 | - | - | 5,420 |
| Increase (decrease) in deferred inflows of resources - pension | (153,277) | (10,045) | - | 43,745 | (119,577) |
| Increase in net pension liability | 147,957 | 9,947 | - | 198,754 | 356,658 |
| Net cash provided by (used in) operating activities | <u>\$ 265,406</u> | <u>\$ (52,672)</u> | <u>\$ (2,039,990)</u> | <u>\$ 77,486</u> | <u>\$ (1,749,770)</u> |
| NON-CASH CAPITAL AND RELATED | | | | | |
| FINANCING ACTIVITIES | | | | | |
| Contributions of capital assets | <u>\$ 1,752,918</u> | <u>\$ -</u> | <u>\$ 20,509,745</u> | <u>\$ 2,292,372</u> | <u>\$ 24,555,035</u> |

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

NOTES TO FINANCIAL STATEMENTS

CITY OF STOCKBRIDGE, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City was incorporated in 1920 and is located in the northern part of Henry County about 18 miles south of Atlanta. The City provides a full range of services to approximately 26,000 residents. These services are provided in whole by the City or through contractual agreements with Henry County. These services include police services, community development, highways and streets, water and sewer, sanitation, parks, public improvements, planning and zoning, and general administrative services.

In 2013, the City adopted the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment to GASB Nos. 14 and 34*, which defines the reporting entity for determining which potential component units should be included in the primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and: 1) the ability of the City to impose its will on that organization, or 2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City. In addition to the above criteria, GASB Statement No. 61 added that if the primary government is expected to repay substantially all of the component unit's debt, then the component unit should be blended.

Blended Component Units - Blended component units, although legally separate entities, are, in substance, part of the government's operations.

The City of Stockbridge Urban Redevelopment Agency (the "URA") was created by the City's elected officials to provide for the issuance of bonds to finance the construction of the Town Center facilities including City Hall. The City Council appoints the majority of the URA board members, and the URA's debt is expected to be repaid almost entirely from the resources of the City. Although legally separate, the URA is blended as a governmental fund into the primary government. Separate financial statements for the URA are not issued.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The City of Stockbridge Public Facilities Authority (the "PFA") was created by the City's elected officials to provide for the issuance of bonds to finance the construction of the Amphitheater and Cultural Arts Center, to fund the Trails Project, and to fund purchase of police equipment. The City Council appoints the majority of the PFA board members, and the PFA's debt is expected to be repaid almost entirely from the resources of the City. Although legally separate, the PFA is blended as a governmental fund into the primary government. Separate financial statements for the PFA are not issued.

The City of Stockbridge Downtown Development Authority (the "DDA") exists to encourage growth and redevelopment of the Stockbridge, Georgia central business district. The City Council appoints the majority of the DDA board members, and the DDA's debt is expected to be repaid almost entirely from the resources of the City. Although legally separate, the DDA is blended as a nonmajor governmental fund into the primary government. Separate financial statements for the DDA are not issued.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources. Issuance of long-term debt and financing through leases are reported as other financing sources.

Intergovernmental grants and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Substantially all governmental fund revenues are accrued. In applying GASB Statement No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, are reported as advances by the provider and unearned revenue by the recipient.

The format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also requires, as Required Supplementary Information ("RSI"), the Management's Discussion and Analysis ("MD&A") which includes an analytical overview of the City's financial activity.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major governmental funds:

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

The **American Rescue Plan Act ("ARPA") Fund** is used for accounting for the financial resources provided and subsequently expended from the ARPA grant received from the federal government.

The **Public Facilities Authority ("PFA")** accounts for capital expenditures. Funding is provided by bonds issued in fiscal year 2021.

The **Special Purpose Local Option Sales Tax ("SPLOST") V Fund** accounts for capital expenditures. Funding is provided by special purpose sales taxes, which are collected by Henry County and remitted to the City through an intergovernmental agreement.

The **City-wide Capital Projects Fund** accounts for major capital projects that are paid out of the General Fund.

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** accounts for capital expenditures. Funding is provided by special purpose sales taxes, which are collected by Henry County and remitted to the City through an intergovernmental agreement.

The City reports the following major proprietary funds:

The **Water and Sewer Fund** accounts for the operation of the water and sewerage system including all revenues from sources applicable to these operations and all expenses of the operation.

The **Solid Waste Fund** accounts for revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City.

The **Amphitheater Fund** accounts for activities related to the Amphitheater.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

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

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.

D. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

E. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. For purposes of the Statement of Cash Flows, the enterprise funds consider all highly liquid investments (including restricted assets) with a maturity date of three months or less when purchased to be cash equivalents.

The City's investments consist of Certificates of Deposit with a maturity date greater than three months from the date of purchase. For reporting purposes, all investments are recorded at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Investments (Continued)

State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime bankers' acceptances; repurchase agreements; and the Georgia Fund 1.

The City's policy is to hold investments to maturity.

In applying GASB Statement No. 72, the City utilized the following methods and assumptions as of December 31, 2022:

1. Fair value is based on quoted market prices as of the valuation date; and
2. The investment portfolio did not hold investments in any of the following: a) items required to be reported at amortized costs; b) items subject to involuntary participation in an external pool; and c) items associated with a fund other than the fund to which the income is assigned.

F. Inventories

Inventories are valued at cost, which approximates market, using the first in/first out ("FIFO") method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. Prepaid Expenditures/Expenses

Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure/expense is made for goods or services that were purchased for consumption, but not consumed as of December 31, 2022.

H. Restricted Assets

Certain proceeds from the Urban Redevelopment Authority ("URA") Fund's debt issues are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable debt covenants.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows

In addition to assets, the Statement of Net Position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category. These four items relate to the City's defined benefit pension plan. The pension assumption changes, experience differences, investment differences, and the contributions made subsequent to the measurement date are deferred and recognized as pension expense in future years.

In addition to liabilities, the Statement of Net Position and/or the governmental funds balance sheet will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. The first item, unavailable revenue, arises only under the modified accrual basis of accounting, and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue for court fines, rental income, and franchise taxes levied, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other two items relate to the City's defined benefit pension plan and are reported in the government-wide Statement of Net Position. The pension experience differences and pension investment earnings difference represent future acquisitions of net position and, accordingly, are reported as deferred inflows of resources.

J. Pensions

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

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities' column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in respective funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed. Depreciation on capital assets and amortization on right to use leased assets is provided on the straight-line basis over the following estimated useful lives:

| Asset | Years |
|-----------------------------------|---------|
| Building and improvements | 30 – 50 |
| Improvements other than buildings | 25 – 50 |
| Furniture and fixtures | 10 – 20 |
| Vehicles | 5 – 10 |
| Machinery and equipment | 5 – 10 |
| Infrastructure | 40 – 50 |

The City only reports infrastructure assets purchased subsequent to December 31, 2003.

L. Compensated Absences

In 2017, the City switched from using a Paid Time Off ("PTO") system to a compensated absences system. Under the compensated absences system, the City accrues accumulated unpaid vacation and sick benefits. Annual leave will be paid to employees upon separation from service when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Accrued Liabilities and Long-Term Obligations (Continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources and are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current year. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

N. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be market or near market rates, are treated as revenues and expenditures/expenses and are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

O. Budgets and Budgetary Accounting

The City adopts project length budgets for the SPLOST Capital projects funds, the Public Facilities Authority Fund, the City-wide Capital Projects Fund, the T-SPLOST Fund, and the State and Federal Grants Fund. The City adopts an annual budget for the Hotel/Motel Fund, Grants Fund, Burke Cemetery Fund, the Downtown Development Fund, the Urban Redevelopment Fund, and the Impact Fee Fund. The City is required by state law to adopt annual budgets for the General Fund and its special revenue funds (Hotel/Motel Tax Fund and Grants Fund). Public hearings are conducted to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of an ordinance. Any revisions that alter the total expenditures of any department must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Governmental fund type budgets are adopted on a basis consistent with GAAP at the legal level of budgetary control which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as amended in December 2022. All annual appropriations lapse at year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Budgets and Budgetary Accounting (Continued)

For the year ended December 31, 2022, the following General Fund departments had actual expenditures in excess of budgeted amounts: Financial administration (\$1,406), Data processing (\$12,324), Building and plant (\$97,754), Human resources (\$118,620), Police administration (\$824,064), and City events (\$429,790). The Hotel/Motel Tax Fund had actual expenditures in excess of budget amounts for housing and development in the amount of \$70,273. These over expenditures were covered by under expenditures in other departments. The Grants Fund had actual expenditures in excess of budget amounts for housing and development in the amount of \$854,143.

P. Fund Balance and Fund Net Position

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

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined subsequent to fiscal year-end. Only the City Council may modify or remove the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Through resolution, the City Council has authorized the Treasurer and his designee to assign fund balances. Assignments may occur subsequent to fiscal year-end.
- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balances only in the General Fund. All funds may report negative unassigned fund balances.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Balance and Fund Net Position (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balances, it is the City's policy to use fund balances in the following order: 1) committed; 2) assigned; and 3) unassigned.

Net Position – Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

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

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

The governmental fund balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this difference are as follows:

| | |
|--|------------------------|
| Accrued interest payable | \$ (370,887) |
| Compensated absences payable | (271,399) |
| Bonds payable | (31,955,000) |
| Leases | (105,492) |
| | <hr/> |
| Net adjustment to reduce <i>fund balances – total governmental funds</i> to arrive at <i>net position – governmental activities</i> | <u>\$ (32,702,778)</u> |

NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)

Another element of that reconciliation explains that "the net pension liability and related deferred outflows and inflows of resources are not financial resources and, therefore, are not reported in the governmental funds." The details of this difference are as follows:

| | |
|--|---------------------|
| Deferred outflows of resources - pension | \$ 558,826 |
| Deferred inflows of resources - pension | (669,032) |
| Net pension liability - pension | <u>(464,136)</u> |
| Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | <u>\$ (574,342)</u> |

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

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this difference are as follows:

| | |
|--|---------------------|
| Capital outlay | \$ 9,801,087 |
| Depreciation expense | <u>(1,689,183)</u> |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 8,111,904</u> |

NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position." The details of this difference are as follows:

| | |
|--|------------------------|
| Loss on disposal of capital assets | \$ (71,724) |
| Transfer of capital assets to business-type activities | <u>(22,728,929)</u> |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ (22,800,653)</u> |

Another element of that reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

| | |
|--|-------------------|
| Compensated absences | \$ (124,662) |
| Pension expense | 229,758 |
| Accrued interest | <u>29,441</u> |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 134,537</u> |

NOTE 3. CASH AND INVESTMENTS

Credit Risk. State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime bankers' acceptances; repurchase agreements; and Georgia Fund 1.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2022, all of the deposits for the City were fully collateralized in accordance with the state statutes.

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose the investment in Georgia Fund 1 within the fair value hierarchy. Additionally, the City's Certificates of Deposit are nonnegotiable and, therefore, are not subject to fair value hierarchy.

Investments. The City's financial policies authorize investment in any securities approved by the State of Georgia for local governments. Authorized investments include Certificates of Deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, pooled investment programs of the State of Georgia, and no-load mutual funds of direct obligations of the United States.

At December 31, 2022, the City had the following investments:

| Investment | Maturities | Fair Value |
|------------------------|-------------------|------------------|
| Certificate of Deposit | August 19, 2024 | \$ 12,284 |
| Certificate of Deposit | December 29, 2023 | 58,000 |
| | | <u>\$ 70,284</u> |

NOTE 4. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. The City, when applicable, obtains the services of Henry County to bill and collect the City's property taxes. Henry County remits taxes collected to the City on a bi-monthly basis. Property taxes are levied approximately October 1 of each year and are due 60 days after issuance. A local option sales tax is in force. Proceeds from the tax are remitted to the City monthly and are utilized to give property tax owners tax relief. No property taxes were levied for the year ended December 31, 2022. There were no property taxes receivable as of December 31, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at December 31, 2022 for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

Governmental Funds

| | General | SPLOST V Fund | Nonmajor Governmental Funds | Total |
|-----------------------------------|---------------------|-------------------|-----------------------------------|---------------------|
| Receivables: | | | | |
| Intergovernmental | \$ 68,459 | \$ - | \$ - | \$ 68,459 |
| Taxes | 2,020,738 | 596,482 | 37,148 | 2,654,368 |
| Accounts | 106,288 | - | 2,500 | 108,788 |
| Gross receivables | 2,195,485 | 596,482 | 39,648 | 2,831,615 |
| Less allowance for uncollectibles | (47,617) | - | - | (47,617) |
| Net total receivables | <u>\$ 2,147,868</u> | <u>\$ 596,482</u> | <u>\$ 39,648</u> | <u>\$ 2,783,998</u> |

Proprietary Funds

| | Water and Sewer | Solid Waste | Nonmajor Enterprise Funds | Total |
|-----------------------------------|--------------------|------------------|------------------------------|-------------------|
| Receivables: | | | | |
| Intergovernmental | \$ 11,057 | \$ 1,682 | \$ 2,029 | \$ 14,768 |
| Accounts | 519,768 | 76,740 | 247,159 | 843,667 |
| Gross receivables | 530,825 | 78,422 | 249,188 | 858,435 |
| Less allowance for uncollectibles | (23,458) | - | - | (23,458) |
| Net total receivables | <u>\$ 507,367</u> | <u>\$ 78,422</u> | <u>\$ 249,188</u> | <u>\$ 834,977</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2022 is as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|----------------------|---------------------|--------------------|------------------------|----------------------|
| Governmental activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 11,761,958 | \$ 7,500 | \$ - | \$ (28,611) | \$ 11,740,817 |
| Construction in progress | 4,109,863 | 7,313,663 | (58,287) | (887,873) | 10,477,366 |
| Total | <u>15,871,821</u> | <u>7,321,163</u> | <u>(58,287)</u> | <u>(916,514)</u> | <u>22,218,183</u> |
| Capital assets, being depreciated: | | | | | |
| Buildings and improvements | 48,543,034 | 262,015 | - | (24,281,455) | 24,523,594 |
| Improvements other than buildings | 4,146,334 | - | - | 341,929 | 4,488,263 |
| Infrastructure | 8,317,631 | - | - | 885,373 | 9,203,004 |
| Machinery and equipment | 2,233,590 | 226,611 | - | (466,225) | 1,993,976 |
| Office equipment | 1,914,513 | 151,567 | - | (491,912) | 1,574,168 |
| Vehicles | 2,385,080 | 1,602,410 | (48,618) | 80,847 | 4,019,719 |
| Furniture and fixtures | 1,481,936 | 237,321 | - | (380,483) | 1,338,774 |
| Total | <u>69,022,118</u> | <u>2,479,924</u> | <u>(48,618)</u> | <u>(24,311,926)</u> | <u>47,141,498</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (9,287,992) | (698,504) | - | 1,806,485 | (8,180,011) |
| Improvements other than buildings | (1,588,787) | (301,470) | - | 8,330 | (1,881,927) |
| Infrastructure | (2,531,195) | (222,629) | - | - | (2,753,824) |
| Machinery and equipment | (1,641,278) | (79,711) | - | 251,979 | (1,469,010) |
| Office equipment | (1,042,938) | (60,843) | - | 2,037 | (1,101,744) |
| Vehicles | (1,371,495) | (321,855) | 35,181 | 23,097 | (1,635,072) |
| Furniture and fixtures | (1,490,319) | (4,171) | - | 407,583 | (1,086,907) |
| Total | <u>(18,954,004)</u> | <u>(1,689,183)</u> | <u>35,181</u> | <u>2,499,511</u> | <u>(18,108,495)</u> |
| Total assets, being depreciated, net | <u>50,068,114</u> | <u>790,741</u> | <u>(13,437)</u> | <u>(21,812,415)</u> | <u>29,033,003</u> |
| Governmental activities capital assets, net excluding lease assets | <u>\$ 65,939,935</u> | <u>\$ 8,111,904</u> | <u>\$ (71,724)</u> | <u>\$ (22,728,929)</u> | <u>51,251,186</u> |
| Lease assets, net (Note 7) | | | | | <u>97,824</u> |
| Total capital assets, net as reported in the Statement of Net Position | | | | | <u>\$ 51,349,010</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|--|----------------------|---------------------|-------------|----------------------|----------------------|
| Business-type activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 416,962 | \$ - | \$ - | \$ 28,641 | \$ 445,603 |
| Construction in progress | 6,846,585 | 3,532,009 | - | (2,081,331) | 8,297,263 |
| Total | <u>7,263,547</u> | <u>3,532,009</u> | <u>-</u> | <u>(2,052,690)</u> | <u>8,742,866</u> |
| Capital assets, being depreciated: | | | | | |
| Buildings and improvements | 8,853,918 | 21,705 | - | 25,609,609 | 34,485,232 |
| Improvements other than buildings | 11,978,790 | - | - | 21,000 | 11,999,790 |
| Infrastructure | 711,111 | 60,820 | - | 803,178 | 1,575,109 |
| Vehicles | 2,304,574 | 62,209 | - | - | 2,366,783 |
| Furniture and fixtures | 8,390 | 213,493 | - | 414,045 | 635,928 |
| Machinery and equipment | 4,773,243 | 416,909 | - | 433,299 | 5,623,451 |
| Total | <u>28,630,026</u> | <u>775,136</u> | <u>-</u> | <u>27,281,131</u> | <u>56,686,293</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (5,286,174) | (870,551) | - | (1,806,487) | (7,963,212) |
| Improvements other than buildings | (4,415,917) | (258,436) | - | (8,330) | (4,682,683) |
| Infrastructure | (155,186) | (49,478) | - | - | (204,664) |
| Vehicles | (1,573,795) | (156,457) | - | - | (1,730,252) |
| Furniture and fixtures | (8,390) | (24,216) | - | (407,583) | (440,189) |
| Machinery and equipment | (1,824,859) | (260,773) | - | (277,112) | (2,362,744) |
| Total | <u>(13,264,321)</u> | <u>(1,619,911)</u> | <u>-</u> | <u>(2,499,512)</u> | <u>(17,383,744)</u> |
| Total assets, being depreciated, net | <u>15,365,705</u> | <u>(844,775)</u> | <u>-</u> | <u>24,781,619</u> | <u>39,302,549</u> |
| Business-type activities capital assets, net | <u>\$ 22,629,252</u> | <u>\$ 2,687,234</u> | <u>\$ -</u> | <u>\$ 22,728,929</u> | <u>\$ 48,045,415</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:

| | |
|--|---------------------|
| General government | \$ 647,144 |
| Judicial | 88,184 |
| Public safety | 289,137 |
| Public works | 664,718 |
| Total depreciation expense - governmental activities | <u>\$ 1,689,183</u> |

Business-type activities:

| | |
|---|---------------------|
| Water and sewer | \$ 815,034 |
| Solid waste | 14,972 |
| Stormwater | 129,841 |
| Conference center | 83,846 |
| Amphitheater | 576,218 |
| Total depreciation expense - business-type activities | <u>\$ 1,619,911</u> |

Net investment in Capital Assets. Net investment in capital assets on the government-wide Statement of Net Position and the major proprietary funds Statement of Net Position as of December 31, 2022 are as follows:

Governmental Activities

| | |
|--|-----------------------------|
| Capital assets, non-depreciable | \$ 22,218,183 |
| Capital assets, depreciable | 47,141,498 |
| Accumulated depreciation | (18,108,495) |
| Leased assets | 117,389 |
| Accumulated amortization | (19,565) |
| Lease liability | (105,492) |
| Bonds payable | (31,955,000) |
| Accounts payable - SPLOST IV Fund | (422,086) |
| Accounts payable - City-wide Capital Projects Fund | (303,993) |
| Retainage payable | (488,949) |
| Unspent proceeds - Public Facilities Authority | <u>15,219,462</u> |
| Net investment in capital assets, | |
| Governmental Activities | <u><u>\$ 33,292,952</u></u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Net investment in Capital Assets (Continued).

Business-type Activities

| | |
|---|----------------------|
| Capital assets, non-depreciable | \$ 8,742,866 |
| Capital assets, depreciable | 56,686,293 |
| Accumulated depreciation | (17,383,744) |
| Notes payable | (1,023,845) |
| Retainage payable | (50,000) |
| Net investment in capital assets, Business-type Activities | <u>\$ 46,971,570</u> |

Water and Sewer Fund

| | |
|---|----------------------|
| Capital assets, non-depreciable | \$ 8,512,450 |
| Capital assets, depreciable | 26,916,214 |
| Accumulated depreciation | (13,133,508) |
| Notes payable | (1,023,845) |
| Retainage payable | (50,000) |
| Net investment in capital assets, Water and Sewer Fund | <u>\$ 21,221,311</u> |

Solid Waste Fund

| | |
|---|------------------|
| Capital assets, depreciable | \$ 468,083 |
| Accumulated depreciation | (403,229) |
| Net investment in capital assets, Solid Waste Fund | <u>\$ 64,854</u> |

Amphitheater Fund

| | |
|--|----------------------|
| Capital assets, depreciable | \$ 22,618,214 |
| Accumulated depreciation | (1,085,040) |
| Net investment in capital assets, Amphitheater Fund | <u>\$ 21,533,174</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LEASED ASSETS

A summary of leased asset activity for the City for the year ended December 31, 2022 is as follows:

| | Balance December 31, 2021 | Additions | Deletions | Balance December 31, 2022 |
|------------------------------------|------------------------------|------------|-----------|------------------------------|
| Governmental activities: | | | | |
| Lease assets: | | | | |
| Office equipment | \$ - | \$ 117,389 | \$ - | \$ 117,389 |
| Total | - | 117,389 | - | 117,389 |
| Less accumulated amortization for: | | | | |
| Office equipment | - | (19,565) | - | (19,565) |
| Total assets depreciated | - | (19,565) | - | (19,565) |
| Total lease assets, net | \$ - | \$ 97,824 | \$ - | \$ 97,824 |

NOTE 8. LONG-TERM DEBT

Changes in Long-term Debt. The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2022:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|----------------------|--------------|----------------|-------------------|------------------------|
| Governmental activities: | | | | | |
| Urban Redevelopment revenue bonds | \$ 9,615,000 | \$ - | \$ (780,000) | \$ 8,835,000 | \$ 820,000 |
| Public Facilities Authority revenue bonds | 25,805,000 | - | (2,685,000) | 23,120,000 | 3,915,000 |
| Accrued compensated absences | 146,737 | 311,915 | (187,253) | 271,399 | 54,280 |
| Net pension liability | 86,699 | 1,061,780 | (684,343) | 464,136 | - |
| Lease liability | - | 117,389 | (11,897) | 105,492 | 27,688 |
| Total governmental-type activity long-term debt | \$ 35,653,436 | \$ 1,491,084 | \$ (4,348,493) | \$ 32,796,027 | \$ 4,816,968 |
| Business-type activities: | | | | | |
| GEFA notes payable | \$ 1,120,169 | \$ - | \$ (96,324) | \$ 1,023,845 | \$ 97,777 |
| Accrued compensated absences | 61,918 | 78,061 | (61,004) | 78,975 | 15,795 |
| Net pension liability | 54,490 | 940,558 | (583,900) | 411,148 | - |
| Total business-type activity long-term debt | \$ 1,236,577 | \$ 1,018,619 | \$ (741,228) | \$ 1,513,968 | \$ 113,572 |

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

The City's General Fund is typically used to liquidate all governmental activity long-term liabilities. However, proceeds from any asset sales relative to the Urban Redevelopment project or Public Facilities project will be used to liquidate the related revenue bond obligation.

The Water and Sewer Enterprise Fund is used to liquidate all of the business-type activity long-term liabilities.

Urban Redevelopment Revenue Bonds. The City entered into an agreement with a financial institution that provided for the issuance of revenue bonds for the purchase of land and construction of structures and improvements for the New Town Center. Various bond issues were used by the City during the purchase and construction phases. During the year ended December 31, 2022, the City repaid various bond issues in the amount of \$780,000. Amounts outstanding at year-end of \$8,835,000 reflect total drawdowns to date net of repayments, if any.

Urban Redevelopment Fund long-term liabilities outstanding at December 31, 2022 are as follows:

| | |
|--|----------------------------|
| Series 2005 B Revenue bonds payable to Capital One Bank, in the total amount of \$7,330,000, interest at 4.45%, matures 2/1/31. | \$ 3,740,000 |
| Series 2006 A Revenue bonds payable to Capital One Bank, in the total amount of \$4,795,000, current interest at 4.58%, matures 2/1/31. | 2,475,000 |
| Series 2006 C Revenue bonds payable to Capital One Bank, in the total amount of \$5,000,000, current interest at 4.865%, matures 2/1/31. | <u>2,620,000</u> |
| Total | <u><u>\$ 8,835,000</u></u> |

Annual debt service requirements to maturity for the revenue bonds that have closed are as follows:

| Fiscal Year | Principal | Interest | Total |
|----------------|----------------------------|----------------------------|-----------------------------|
| 2023 | \$ 820,000 | \$ 388,356 | \$ 1,208,356 |
| 2024 | 855,000 | 353,765 | 1,208,765 |
| 2025 | 890,000 | 309,562 | 1,199,562 |
| 2026 | 930,000 | 267,625 | 1,197,625 |
| 2027 | 975,000 | 223,719 | 1,198,719 |
| 2028 – 2031 | 4,365,000 | 413,686 | 4,778,686 |
| Total | <u><u>\$ 8,835,000</u></u> | <u><u>\$ 1,956,713</u></u> | <u><u>\$ 10,791,713</u></u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Public Facilities Authority Revenue Bonds. The City entered into an agreement with a financial institution that provided for the issuance of revenue bonds for the purchase of land and equipment for the Amphitheater and Cultural Arts Center, the purchase of buildings for the Cultural Arts Center, and the improvement of trails. Various bond issues were used by the City during the purchase and construction phases. Amounts outstanding at year-end of \$25,805,000 reflect total drawdowns to date net of repayments, if any.

Public Facilities Authority Fund long-term liabilities outstanding at December 31, 2022 are as follows:

| | |
|---|----------------------|
| Series 2021 B Revenue bonds payable to Truist Bank, in the total amount of \$1,030,000, interest at 1.04%, matures 12/31/2025. | \$ 775,000 |
| Series 2021 A Revenue bonds payable to Truist Bank, in the total amount of \$9,910,000, current interest at 1.32%, matures 12/31/2025. | 7,480,000 |
| Series 2021 C Revenue bonds payable to Truist Bank, in the total amount of \$14,865,000, current interest at 2.53%, matures 12/31/2036. | <u>14,865,000</u> |
| Total | <u>\$ 23,120,000</u> |

Annual debt service requirements to maturity for the revenue bonds that have closed are as follows:

| Fiscal Year | Principal | Interest | Total |
|----------------|----------------------|---------------------|----------------------|
| 2023 | \$ 3,915,000 | \$ 467,764 | \$ 4,382,764 |
| 2024 | 3,980,000 | 401,898 | 4,381,898 |
| 2025 | 4,050,000 | 334,764 | 4,384,764 |
| 2026 | 1,295,000 | 266,346 | 1,561,346 |
| 2027 | 1,325,000 | 233,203 | 1,558,203 |
| 2028 – 2032 | 4,775,000 | 757,292 | 5,532,292 |
| 2033 – 2036 | 3,780,000 | 194,178 | 3,974,178 |
| Total | <u>\$ 23,120,000</u> | <u>\$ 2,655,445</u> | <u>\$ 25,775,445</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

Lease Liability. The City enters into lease agreements for periods of five years as lessee for the use of copiers. These leases have an imputed interest rate of 2%.

Principal and interest requirements to maturity for the lease liability as of December 31, 2022 are as follows:

| Fiscal Year | Principal | Interest | Total |
|----------------|------------|----------|------------|
| 2023 | \$ 27,688 | \$ 2,109 | \$ 29,797 |
| 2024 | 28,242 | 1,555 | 29,797 |
| 2025 | 16,182 | 990 | 17,172 |
| 2026 | 16,506 | 667 | 17,173 |
| 2027 | 16,874 | 337 | 17,211 |
| | \$ 105,492 | \$ 5,658 | \$ 111,150 |

Water and Sower Long term Debt. The City issues revenue bonds and enters into construction note agreements with the Georgia Environmental Finance Authority ("GEFA") where in both types of debt the government pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year relate to a note issued in 2010 to finance construction projects to improve the City's water distribution facilities. The note was issued by GEFA in the total amount of \$1,911,900. During the year ended December 31, 2022, the City repaid \$96,324 of the note payable. Amounts outstanding at year-end of \$1,023,845 reflect total drawdowns to date net of repayments, if any.

The annual requirement to pay GEFA's note outstanding is as follows:

| Fiscal Year | Principal | Interest | Total |
|----------------|--------------|------------|--------------|
| 2023 | \$ 97,777 | \$ 29,463 | \$ 127,240 |
| 2024 | 100,751 | 26,489 | 127,240 |
| 2025 | 103,816 | 23,424 | 127,240 |
| 2026 | 106,973 | 20,267 | 127,240 |
| 2027 | 110,227 | 17,013 | 127,240 |
| 2028 – 2032 | 504,301 | 33,649 | 537,950 |
| Total | \$ 1,023,845 | \$ 150,305 | \$ 1,174,150 |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND TRANSFERS

Interfund transfers are as follows:

| Transfers In | Transfers Out | | | | Total |
|---------------------------------|---------------|--------------------|---------------------------|---------------------------------|---------------|
| | General Fund | Water & Sewer Fund | Nonmajor Enterprise Funds | City-wide Capital Projects Fund | |
| General Fund | \$ - | \$ 61,260 | \$ 428,786 | \$ - | \$ 490,046 |
| Nonmajor Enterprise Funds | 1,022,754 | - | - | - | 1,022,754 |
| Nonmajor Governmental Funds | 1,215,989 | - | - | - | 1,215,989 |
| Public Facilities Authority | 3,014,566 | - | - | - | 3,014,566 |
| City-wide Capital Projects Fund | 4,041,627 | - | - | - | 4,041,627 |
| Amphitheater Fund | - | - | - | 3,842,262 | 3,842,262 |
| Total | \$ 9,294,936 | \$ 61,260 | \$ 428,786 | \$ 3,842,262 | \$ 13,627,244 |

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During the period ended December 31, 2022, transfers from the General Fund to the nonmajor enterprise funds and the City-wide Capital Projects Fund were to clear deficit pooled cash balances. Transfers from the General Fund to the nonmajor governmental funds and the Public Facilities Authority were to finance the Urban Redevelopment Fund and the Public Facilities Authority Fund's debt service. Transfers out of the City-wide Projects Fund to the Amphitheater fund were to fund Amphitheater operating expenses and capital assets. Transfers out of the nonmajor enterprise funds and the Water and Sewer Fund are mainly to reimburse the General Fund for expenses initially paid out of the General Fund.

NOTE 10. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten-county Atlanta area, is a member of the Atlanta Regional Commission ("ARC") and is required to pay annual dues thereto. Membership in the ARC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Henry County makes contributions on behalf of the City to the ARC. Separate financial statements may be obtained from:

Atlanta Regional Commission
40 Courtland Street, NE
Atlanta, Georgia 30303

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN

A. Plan Description

The City's pension plan is administered through the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan (the "Plan") provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Plan whereby retirees receive between 1% and 1.75% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Council, in its role as the Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and Required Supplementary Information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

B. Plan Membership

As of July 1, 2022, the date of the most recent actuarial valuation, there were 173 participants consisting of the following:

| | |
|---|------------|
| Inactive plan members or beneficiaries currently receiving benefits | 45 |
| Inactive plan members entitled to but not receiving benefits | 41 |
| Active plan members | 87 |
| Total Plan Members | <u>173</u> |

C. Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. For the year ended December 31, 2022, the City's contribution rate was 12.4% of annual payroll. City contributions to the Plan were \$564,637 for the year ended December 31, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

D. Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 with updated procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2022.

Actuarial Assumptions. The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.25% |
| Salary increases | 2.25% – plus service based merit increases |
| Investment rate of return | 7.375% |

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with gender-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2022 are summarized in the following table:

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|-----------------------|-------------------|---|
| Domestic equity | 45 % | 6.55 % |
| International equity | 20 | 7.3 |
| Domestic fixed income | 20 | 0.4 |
| Real estate | 10 | 3.65 |
| Global fixed income | 5 | 0.5 |
| Total | 100 % | |

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

E. Discount Rate

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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.

F. Changes in the Net Pension Liability of the City

The changes in the components of the net pension liability of the City for the year ended December 31, 2022 were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|--|--|--|
| Balances at December 31, 2021 | \$ 11,732,856 | \$ 11,591,667 | \$ 141,189 |
| Changes for the year: | | | |
| Service cost | 395,098 | - | 395,098 |
| Interest | 874,286 | - | 874,286 |
| Differences between expected and actual experience | 713,153 | - | 713,153 |
| Assumption changes | - | - | - |
| Contributions - employer | - | 562,067 | (562,067) |
| Contributions - employee | - | - | - |
| Net investment income | - | 706,176 | (706,176) |
| Benefit payments, including refunds of employee contributions | (546,464) | (546,464) | - |
| Administrative expense | - | (19,801) | 19,801 |
| Other | - | - | - |
| Net changes | 1,436,073 | 701,978 | 734,095 |
| Balances at December 31, 2022 | \$ 13,168,929 | \$ 12,293,645 | \$ 875,284 |

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

| | 1% Decrease (6.375%) | Current Discount Rate (7.375%) | 1% Increase (8.375%) |
|------------------------------|-------------------------|--------------------------------------|-------------------------|
| City's net pension liability | \$ 2,555,745 | \$ 875,284 | \$ (529,082) |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of March 31, 2022, and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2022, the City recognized pension expense of \$338,277. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 630,377 | \$ 99,034 |
| Changes in assumptions | - | 28,133 |
| Net difference between projected and actual earnings on pension plan investments | - | 1,134,517 |
| City contributions subsequent to the measurement date | 423,478 | - |
| Total | <u>\$ 1,053,855</u> | <u>\$ 1,261,684</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

City contributions subsequent to the measurement date of \$423,478 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ending December 31,</u> | |
|---------------------------------|---------------------|
| 2023 | \$ (89,326) |
| 2024 | (159,834) |
| 2025 | (411,858) |
| 2026 | 29,711 |
| Total | <u>\$ (631,307)</u> |

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City carries commercial insurance in amounts deemed prudent by City management. Commercial insurance is carried for coverage of property, errors and omissions, professional liability and injuries to employees.

There have been no significant reductions of insurance coverage from coverage in the prior year and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of any expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

In 2014, the citizens of Henry County voted to approve a Special Purpose Local Option Sales Tax ("SPLOST") to help finance the acquisition and construction of major capital equipment and facilities. In relation to this, the City entered into an intergovernmental agreement with Henry County and the other cities inside the County whereby Henry County would issue revenue bonds to finance some of the SPLOST projects in advance of the SPLOST collections. The City received \$6,000,000 from Henry County under this agreement in fiscal year 2015.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

The revenue bonds are in the name of Henry County and are not a direct liability of the City. However, under the terms of the intergovernmental agreement, Henry County will retain all of the first SPLOST revenue collections for each year in amounts that will satisfy the annual debt service requirements. The agreement also requires the City to pay its share of debt service requirements should the SPLOST revenue collections not be sufficient to satisfy the debt service requirements under the bond issue. Management believes the SPLOST revenue collections will be sufficient to satisfy all debt service requirements under the bond ordinance.

NOTE 14. HOTEL/MOTEL TAX

The City levies an 8% hotel/motel tax in accordance with the provisions of O.C.G.A. §48-13-51. In order to comply with the expenditure requirements of this code section, the City remits 40% of the monies from the first 5% collected under this provision to the Henry County Chamber of Commerce. The Henry County Chamber of Commerce also receives 50% of the additional 3%. Total collections for the year ended December 31, 2022, were \$484,363. The amount remitted to the Henry County Chamber of Commerce totaled \$210,456.

NOTE 15. LEASE AGREEMENTS

The City leases its solid waste transfer station to Lamar County Regional Solid Waste Management Authority who subleases to Waste Management. The current lease extends until April 30, 2026. The monthly rental charged by the City is \$1.40 for each ton of waste received at the site through April 30, 2021, at which time the monthly rental will be adjusted by the Consumer Price Index ("CPI") annually through the termination of the agreement. For the year ended December 31, 2022, the City received \$113,420 in rental fees under the contract. The leased assets cost \$36,116 and are reported net of accumulated depreciation of \$33,408 for a net carrying value of \$2,708.

The City's lease agreements, other than the agreement described above, are relatively minor commitments whereby the City is leasing various pieces of office equipment.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF STOCKBRIDGE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED DECEMBER 31,

| | 2022 | 2021 | 2020 | 2019 |
|---|---------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | | |
| Service cost | \$ 395,098 | \$ 395,087 | \$ 333,901 | \$ 329,372 |
| Interest on total pension liability | 874,286 | 828,056 | 770,863 | 750,914 |
| Differences between expected and actual experience | 713,153 | (60,831) | 382,053 | (312,679) |
| Changes of assumptions | - | - | - | - |
| Changes in benefit terms | - | - | - | - |
| Benefit payments, including refunds of employee contributions | (546,464) | (524,505) | (510,620) | (501,679) |
| Other | - | - | (80,734) | - |
| Net change in total pension liability | 1,436,073 | 637,807 | 895,463 | 265,928 |
| Total pension liability - beginning | 11,732,856 | 11,095,049 | 10,199,586 | 9,933,658 |
| Total pension liability - ending (a) | 13,168,929 | 11,732,856 | 11,095,049 | 10,199,586 |
| Plan fiduciary net position | | | | |
| Contributions - employer | 562,067 | 479,659 | 454,251 | 411,823 |
| Contributions - employee | - | - | - | - |
| Net investment income | 706,176 | 3,628,109 | (609,481) | 306,333 |
| Benefit payments, including refunds of employee contributions | (546,464) | (524,505) | (510,620) | (501,679) |
| Administrative expenses | (19,801) | (18,658) | (20,941) | (19,245) |
| Net change in Plan fiduciary net position | 701,978 | 3,564,605 | (686,791) | 197,232 |
| Plan fiduciary net position - beginning | 11,591,667 | 8,027,062 | 8,713,853 | 8,516,621 |
| Plan fiduciary net position - ending (b) | 12,293,645 | 11,591,667 | 8,027,062 | 8,713,853 |
| City's net pension liability (a) - (b) | \$ 875,284 | \$ 141,189 | \$ 3,067,987 | \$ 1,485,733 |
| Plan fiduciary net position as a percentage of the total pension liability | 93.4% | 98.8% | 72.3% | 85.4% |
| Covered payroll | \$ 4,612,475 | \$ 3,993,352 | \$ 3,819,839 | \$ 2,956,753 |
| City's net pension liability as a percentage of covered payroll | 18.98% | 3.54% | 80.32% | 50.25% |

Notes to the Schedule:

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

| | 2018 | 2017 | 2016 | 2015 |
|----|-----------|--------------|--------------|--------------|
| \$ | 322,052 | \$ 297,396 | \$ 247,214 | \$ 319,885 |
| | 685,378 | 650,509 | 611,199 | 604,791 |
| | 180,527 | (11,712) | 132,894 | (372,914) |
| | - | - | - | 4,539 |
| | - | - | - | 3,871 |
| | (487,128) | (405,410) | (482,759) | (472,198) |
| | 145,682 | - | - | - |
| | 846,511 | 450,775 | 508,548 | 87,974 |
| | 9,087,147 | 8,636,372 | 8,127,824 | 8,039,850 |
| | 9,933,658 | 9,087,147 | 8,636,372 | 8,127,824 |
| | 373,239 | 334,499 | 401,339 | 397,450 |
| | - | - | - | - |
| | 951,855 | 870,208 | 20,122 | 629,378 |
| | (487,128) | (485,418) | (482,759) | (472,198) |
| | (18,215) | (18,512) | (13,276) | (11,731) |
| | 819,751 | 700,777 | (74,574) | 542,899 |
| | 7,696,870 | 6,996,093 | 7,070,667 | 6,527,768 |
| | 8,516,621 | 7,696,870 | 6,996,093 | 7,070,667 |
| \$ | 1,417,037 | \$ 1,390,277 | \$ 1,640,279 | \$ 1,057,157 |
| | 85.7% | 84.7% | 81.0% | 87.0% |
| \$ | 2,982,269 | \$ 2,839,086 | \$ 2,777,571 | \$ 2,297,038 |
| | 47.52% | 48.97% | 59.05% | 46.02% |

CITY OF STOCKBRIDGE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED DECEMBER 31,

| | 2022 | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 564,637 | \$ 561,211 | \$ 452,475 | \$ 454,363 |
| Contributions in relation to the actuarially determined contribution | 564,637 | 561,211 | 452,475 | 454,363 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 8,047,255 | \$ 4,531,408 | \$ 3,544,664 | \$ 4,009,122 |
| Contributions as a percentage of covered payroll | 7.0% | 12.4% | 12.8% | 11.3% |

Notes to the Schedule:

| | |
|---------------------------------------|---|
| Valuation date | July 1, 2022 |
| Cost method | Projected Unit Credit |
| Actuarial asset valuation method | Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value. |
| Assumed rate of return on investments | 7.375% |
| Projected salary increases | 2.25% plus service based merit increases |
| Cost of living adjustments | N/A |
| Amortization method | Closed level dollar for remaining unfunded liability |
| Remaining amortization period | Remaining amortization period varies for the bases, with a net effective amortization period of 12 years. |

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

| 2018 | 2017 | 2016 | 2015 | 2014 |
|----------------|----------------|----------------|----------------|----------------|
| \$ 397,643 | \$ 365,104 | \$ 324,417 | \$ 427,020 | \$ 387,593 |
| <u>397,643</u> | <u>365,104</u> | <u>324,417</u> | <u>427,020</u> | <u>387,593</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 3,401,666 | \$ 3,251,123 | \$ 3,141,666 | \$ 2,954,937 | \$ 2,765,158 |
| 11.7% | 11.2% | 10.3% | 14.5% | 14.0% |

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUND

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected.

Grants Fund – This fund is used to account for various intergovernmental revenues received and expended.

PERMANENT FUND

Burke Cemetery Fund – This fund is used to account for revenues earned from a trust set up for cemetery improvements at Burke Cemetery.

CAPITAL PROJECTS FUNDS

State and Federal Grants Fund – This fund is used to account for the acquisition and construction of major capital facilities which are financed with state and federal assistance.

Special Purpose Local Option Sales Tax ("SPLOST") III Fund – This fund is used to account for capital expenditures. Funding is provided by special purpose sales taxes, which are collected by the County and remitted to the City through an intergovernmental agreement.

Downtown Development Fund – This fund is used to account for the activities of the City's blended component unit, the Downtown Development Authority.

Special Purpose Local Option Sales Tax ("SPLOST") IV Fund – This fund is used to account for capital expenditures. Funding is provided by special purpose sales taxes, which are collected by Henry County and remitted to the City through an intergovernmental agreement.

Urban Redevelopment Fund – This fund is used to account for the proceeds from the issuance of bonds to finance the acquisition and construction of major capital facilities.

Impact Fee Fund – This fund is used to account for the proceeds from new development taxes used for capital projects.

CITY OF STOCKBRIDGE, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

| | Special Revenue Fund | | Permanent Fund | Capital Projects Funds | |
|--|---------------------------------|------------------------|--------------------------------|--|----------------------------|
| | Hotel/Motel Tax Fund | Grants Fund | Burke Cemetery Fund | State and Federal Grants Fund | SPLOST III Fund |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ | \$ | \$ | \$ 353,351 | \$ 1,139,798 |
| Investments | - | - | 12,284 | - | - |
| Taxes receivable | 37,148 | - | - | - | - |
| Accounts receivable | - | - | - | - | - |
| Prepaid expenditures | - | - | 566 | - | - |
| Total assets | \$ 1,149,716 | \$ 26,708 | \$ 12,850 | \$ 353,351 | \$ 1,139,798 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 51,405 | \$ 287,563 | \$ 334 | \$ - | \$ - |
| Retainage payable | - | - | - | - | - |
| Total liabilities | 51,405 | 287,563 | 334 | - | - |
| Fund Balances | | | | | |
| Non-spendable: | | | | | |
| Permanent fund corpus | - | - | 5,000 | - | - |
| Prepays | - | - | 566 | - | - |
| Restricted: | | | | | |
| Cemetery maintenance | - | - | 6,950 | - | - |
| Capital projects | - | - | - | - | 1,139,798 |
| Tourism | 1,098,311 | - | - | - | - |
| Assigned for capital projects | - | - | - | 353,351 | - |
| Unassigned | - | (260,855) | - | - | - |
| Total fund balances | 1,098,311 | (260,855) | 12,516 | 353,351 | 1,139,798 |
| Total liabilities and fund balances | \$ 1,149,716 | \$ 26,708 | \$ 12,850 | \$ 353,351 | \$ 1,139,798 |

| Capital Projects Funds | | | | Total Nonmajor Governmental Funds |
|------------------------------|---------------------|-----------------------------|--------------------|--|
| Downtown Development Fund | SPLOST IV Fund | Urban Redevelopment Fund | Impact Fee Fund | |
| \$ 17,394 | \$ 3,700,679 | \$ 2,256 | \$ 741,250 | \$ 7,094,004 |
| - | - | - | - | 12,284 |
| - | - | - | - | 37,148 |
| 2,500 | - | - | - | 2,500 |
| - | - | - | - | 566 |
| <u>\$ 19,894</u> | <u>\$ 3,700,679</u> | <u>\$ 2,256</u> | <u>\$ 741,250</u> | <u>\$ 7,146,502</u> |
| | | | | |
| \$ 120 | \$ 422,086 | \$ - | \$ - | \$ 761,508 |
| - | 110,042 | - | - | 110,042 |
| <u>120</u> | <u>532,128</u> | <u>-</u> | <u>-</u> | <u>871,550</u> |
| | | | | |
| - | - | - | - | 5,000 |
| - | - | - | - | 566 |
| - | - | - | - | 6,950 |
| 19,774 | 3,168,551 | 2,256 | 741,250 | 5,071,629 |
| - | - | - | - | 1,098,311 |
| - | - | - | - | 353,351 |
| - | - | - | - | (260,855) |
| <u>19,774</u> | <u>3,168,551</u> | <u>2,256</u> | <u>741,250</u> | <u>6,274,952</u> |
| | | | | |
| <u>\$ 19,894</u> | <u>\$ 3,700,679</u> | <u>\$ 2,256</u> | <u>\$ 741,250</u> | <u>\$ 7,146,502</u> |

CITY OF STOCKBRIDGE, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

| | Special Revenue Fund | | Permanent Fund | Capital Projects Funds | |
|--|---------------------------------|------------------------|--------------------------------|--|----------------------------|
| | Hotel/Motel Tax Fund | Grants Fund | Burke Cemetery Fund | State and Federal Grants Fund | SPLOST III Fund |
| Revenues | | | | | |
| Other taxes | \$ 484,363 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 593,288 | - | - | - |
| Impact fees | - | - | - | - | - |
| Interest income | - | - | - | - | 59 |
| Total revenues | <u>484,363</u> | <u>593,288</u> | <u>-</u> | <u>-</u> | <u>59</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Public works | - | 854,143 | 10,210 | - | - |
| Housing and development | 445,273 | - | - | - | - |
| Capital outlay: | | | | | |
| General government | - | - | - | - | - |
| Public works | - | - | - | - | 1,902 |
| Culture and recreation | - | - | - | - | - |
| Debt service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| Total expenditures | <u>445,273</u> | <u>854,143</u> | <u>10,210</u> | <u>-</u> | <u>1,902</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>39,090</u> | <u>(260,855)</u> | <u>(10,210)</u> | <u>-</u> | <u>(1,843)</u> |
| Other financing sources | | | | | |
| Transfers in | - | - | 10,776 | - | - |
| Total other financing sources | <u>-</u> | <u>-</u> | <u>10,776</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 39,090 | (260,855) | 566 | - | (1,843) |
| Fund balances, beginning of year | <u>1,059,221</u> | <u>-</u> | <u>11,950</u> | <u>353,351</u> | <u>1,141,641</u> |
| Fund balances, end of year | <u>\$ 1,098,311</u> | <u>\$ (260,855)</u> | <u>\$ 12,516</u> | <u>\$ 353,351</u> | <u>\$ 1,139,798</u> |

| Capital Projects Funds | | | | Total Nonmajor Governmental Funds |
|------------------------------|-------------------|-----------------------------|--------------------|--|
| Downtown Development Fund | SPLOST IV Fund | Urban Redevelopment Fund | Impact Fee Fund | |
| \$ - | \$ - | \$ - | \$ - | \$ 484,363 |
| - | - | - | - | 593,288 |
| - | - | - | 213,480 | 213,480 |
| - | 398 | - | - | 457 |
| - | 398 | - | 213,480 | 1,291,588 |
| - | - | - | - | 864,353 |
| 21,924 | - | - | - | 467,197 |
| - | 435,183 | - | - | 435,183 |
| - | 957,071 | - | - | 958,973 |
| - | 51,841 | - | - | 51,841 |
| - | - | - | - | - |
| - | - | 780,000 | - | 780,000 |
| - | - | 425,213 | - | 425,213 |
| 21,924 | 1,444,095 | 1,205,213 | - | 3,982,760 |
| (21,924) | (1,443,697) | (1,205,213) | 213,400 | (2,091,172) |
| - | - | 1,205,213 | - | 1,215,989 |
| - | - | 1,205,213 | - | 1,215,989 |
| (21,924) | (1,443,697) | - | 213,480 | (1,475,183) |
| 41,698 | 4,612,248 | 2,256 | 527,770 | 7,750,135 |
| \$ 19,774 | \$ 3,168,551 | \$ 2,256 | \$ 741,250 | \$ 6,274,952 |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL SPECIAL REVENUE FUND - HOTEL/MOTEL TAX FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Hotel/Motel Tax Fund | | |
|---|----------------------|---------------------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues | | | |
| Taxes | \$ 375,000 | \$ 484,363 | \$ 109,363 |
| Total revenues | <u>375,000</u> | <u>484,363</u> | <u>109,363</u> |
| Expenditures | | | |
| Current: | | | |
| Housing and development | 375,000 | 445,273 | (70,273) |
| Total expenditures | <u>375,000</u> | <u>445,273</u> | <u>(70,273)</u> |
| Net change in fund balances | - | 39,090 | 39,090 |
| Fund balances, beginning of year | <u>1,059,221</u> | <u>1,059,221</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ 1,059,221</u> | <u>\$ 1,098,311</u> | <u>\$ 39,090</u> |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL SPECIAL REVENUE FUND - GRANTS FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Grants Fund | | |
|---|-----------------|--------------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues | | | |
| Intergovernmental | \$ - | \$ 593,288 | \$ 593,288 |
| Total revenues | - | 593,288 | 593,200 |
| Expenditures | | | |
| Current: | | | |
| Public works | - | 854,143 | (854,143) |
| Total expenditures | - | 854,143 | (854,143) |
| Net change in fund balances | - | (260,855) | (260,855) |
| Fund balances, beginning of year | - | - | - |
| Fund balances, end of year | \$ - | \$ (260,855) | \$ (260,855) |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL PERMANENT FUND - BURKE CEMETERY FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Burke Cemetery Fund | | |
|--|---------------------|-----------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues: | | | |
| Interest income | \$ 20,000 | \$ - | \$ (20,000) |
| Total revenues | 20,000 | - | (20,000) |
| Expenditures: | | | |
| Current: | | | |
| General government: | | | |
| Financial administration | 8,000 | - | 8,000 |
| Public works | 12,000 | 10,210 | 1,790 |
| Total expenditures | 20,000 | 10,210 | 9,790 |
| Deficiency of expenditures under revenues | - | (10,210) | (10,210) |
| Other financing sources: | | | |
| Transfers in | - | 10,776 | 10,776 |
| Total other financing sources | - | 10,776 | 10,776 |
| Net change in fund balances | - | 566 | 566 |
| Fund balances, beginning of year | 11,950 | 11,950 | - |
| Fund balances, end of year | \$ 11,950 | \$ 12,516 | \$ 566 |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND - DOWNTOWN DEVELOPMENT FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Downtown Development Fund | | |
|----------------------------------|---------------------------|-----------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues: | | | |
| Other revenues | \$ 45,000 | \$ - | \$ (45,000) |
| Total revenues | 45,000 | - | (45,000) |
| Expenditures: | | | |
| Current: | | | |
| Housing and development | 45,000 | 21,924 | 23,076 |
| Total expenditures | 45,000 | 21,924 | 23,076 |
| Net change in fund balances | - | (21,924) | (21,924) |
| Fund balances, beginning of year | 41,698 | 41,698 | - |
| Fund balances, end of year | \$ 41,698 | \$ 19,774 | \$ (21,924) |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND - URBAN REDEVELOPMENT FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Urban Redevelopment Fund | | |
|--|--------------------------|-------------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues: | | | |
| Other revenues | \$ - | \$ - | \$ - |
| Total revenues | - | - | - |
| Expenditures: | | | |
| Debt service: | | | |
| Principal | 780,000 | 780,000 | - |
| Interest | 443,178 | 425,213 | 17,965 |
| Total expenditures | 1,223,178 | 1,205,213 | 17,965 |
| Deficiency of expenditures under revenues | (1,223,178) | (1,205,213) | 17,965 |
| Other financing sources: | | | |
| Transfers in | - | 1,205,213 | 1,205,213 |
| Total other financing sources | - | 1,205,213 | 1,205,213 |
| Net change in fund balances | (1,223,178) | - | 1,223,178 |
| Fund balances, beginning of year | 2,256 | 2,256 | - |
| Fund balances, end of year | \$ (1,220,922) | \$ 2,256 | \$ 1,223,178 |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL CAPITAL PROJECTS FUND - IMPACT FEE FUND FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Impact Fee Fund | | |
|---|-----------------|------------|-------------------------------|
| | Final Budget | Actual | Variance With Final Budget |
| Revenues: | | | |
| Impact fees | \$ - | \$ 213,480 | \$ 213,480 |
| Total revenues | - | 213,480 | 213,480 |
| Expenditures: | | | |
| Current: | | | |
| Public works | - | - | - |
| Total expenditures | - | - | - |
| Net change in fund balances | - | 213,480 | 213,480 |
| Fund balances, beginning of year | 527,770 | 527,770 | - |
| Fund balances, end of year | \$ 527,770 | \$ 741,250 | \$ 213,480 |

NONMAJOR ENTERPRISE FUNDS

The Stormwater Fund – This fund is used to account for revenues generated from the charges for stormwater services provided to the citizens of the City.

Conference Center Fund – This fund is used to account for activities related to the Merle Manders Conference Center.

CITY OF STOCKBRIDGE, GEORGIA

COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS DECEMBER 31, 2022

| | Stormwater Fund | Conference Center Fund | Total |
|---|--------------------|------------------------------|--------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | \$ 1,169,347 | \$ - | \$ 1,169,347 |
| Accounts receivable | 247,159 | - | 247,159 |
| Due from other governments | 2,029 | - | 2,029 |
| Prepaid expenses | 1,161 | 3,820 | 4,981 |
| Total current assets | 1,419,696 | 3,820 | 1,423,516 |
| NON-CURRENT ASSETS | | | |
| Capital assets, net of accumulated depreciation | 1,855,946 | 2,296,285 | 4,152,231 |
| Total non-current assets | 1,855,946 | 2,296,285 | 4,152,231 |
| Total assets | 3,275,642 | 2,300,105 | 5,575,747 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pensions | 230,415 | 34,021 | 264,436 |
| Total deferred outflows of resources | 230,415 | 34,021 | 264,436 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable | 11,386 | 8,001 | 19,387 |
| Accrued liabilities | 2,815 | 5,717 | 8,532 |
| Customer deposits | - | 19,650 | 19,650 |
| Compensated absences due within one year | 2,764 | 2,678 | 5,442 |
| Total current liabilities | 16,965 | 36,046 | 53,011 |
| NON-CURRENT LIABILITIES | | | |
| Compensated absences due in more than one year | 11,055 | 10,712 | 21,767 |
| Net pension liability | 191,372 | 28,256 | 219,628 |
| Total non-current liabilities | 202,427 | 38,968 | 241,395 |
| Total liabilities | 219,392 | 75,014 | 294,406 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pensions | 275,854 | 40,730 | 316,584 |
| Total deferred inflows of resources | 275,854 | 40,730 | 316,584 |
| NET POSITION | | | |
| Investment in capital assets | 1,855,946 | 2,296,285 | 4,152,231 |
| Unrestricted | 1,154,865 | (77,903) | 1,076,962 |
| Total net position | \$ 3,010,811 | \$ 2,218,382 | \$ 5,229,193 |

CITY OF STOCKBRIDGE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| | Stormwater Fund | Conference Center Fund | Total |
|--|---------------------|------------------------------|---------------------|
| OPERATING REVENUES | | | |
| Charges for services: | | | |
| Rentals | \$ - | \$ 10,785 | \$ 10,785 |
| Stormwater fees | 1,037,207 | - | 1,037,207 |
| Total operating revenues | <u>1,037,207</u> | <u>10,785</u> | <u>1,047,992</u> |
| OPERATING EXPENSES | | | |
| Personnel services | 349,325 | 501,593 | 850,918 |
| Contracted services | 63,534 | 37,406 | 100,940 |
| Supplies | 33,267 | 42,710 | 75,977 |
| Repairs and maintenance | 3,581 | - | 3,581 |
| Depreciation | 129,841 | 83,846 | 213,687 |
| Total operating expenses | <u>579,548</u> | <u>665,555</u> | <u>1,245,103</u> |
| Operating income (loss) | <u>457,659</u> | <u>(654,770)</u> | <u>(197,111)</u> |
| CAPITAL CONTRIBUTIONS | 73,188 | 2,219,184 | 2,292,372 |
| TRANSFERS IN | - | 1,022,754 | 1,022,754 |
| TRANSFERS OUT | <u>(60,000)</u> | <u>(368,786)</u> | <u>(428,786)</u> |
| Change in net position | 470,847 | 2,218,382 | 2,689,229 |
| NET POSITION, beginning of year | <u>2,539,964</u> | <u>-</u> | <u>2,539,964</u> |
| NET POSITION, end of year | <u>\$ 3,010,811</u> | <u>\$ 2,218,382</u> | <u>\$ 5,229,193</u> |

CITY OF STOCKBRIDGE, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

| | Stormwater Fund | Conference Center Fund | Total |
|--|----------------------------|---------------------------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | \$ 1,005,006 | \$ 977,254 | \$ 1,982,260 |
| Payments to suppliers and service providers | (122,220) | (1,102,870) | (1,225,090) |
| Payments to employees | (312,279) | (367,405) | (679,684) |
| Net cash provided by (used in) operating activities | <u>570,507</u> | <u>(493,021)</u> | <u>77,486</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | |
| Transfers to other funds | (60,000) | - | (60,000) |
| Transfers from other funds | - | 653,968 | 653,968 |
| Net cash provided by (used in) non-capital financing activities | <u>(60,000)</u> | <u>653,968</u> | <u>593,968</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Purchase of property and equipment | <u>(338,355)</u> | <u>(160,947)</u> | <u>(499,302)</u> |
| Net cash used in capital and related financing activities | <u>(338,355)</u> | <u>(160,947)</u> | <u>(499,302)</u> |
| Increase in cash and cash equivalents | 172,152 | - | 172,152 |
| Cash and cash equivalents: | | | |
| Beginning of year | 997,195 | - | 997,195 |
| End of year | <u>\$ 1,169,347</u> | <u>\$ -</u> | <u>\$ 1,169,347</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Operating income (loss) | \$ 457,659 | \$ (654,770) | \$ (197,111) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Depreciation | 129,841 | 83,846 | 213,687 |
| Increase in accounts receivable | (37,113) | - | (37,113) |
| Decrease in due from other governments | 4,912 | - | 4,912 |
| Increase in deferred outflows of resources - pension | (130,299) | (34,021) | (164,320) |
| Increase in customer deposits | - | 19,650 | 19,650 |
| Decrease (increase) in prepaid expenses | 57 | (3,820) | (3,763) |
| Increase (decrease) in accrued liabilities | (6,168) | 19,107 | 12,939 |
| Increase (decrease) in accounts payable | (21,895) | 8,001 | (13,894) |
| Increase in deferred inflows of resources - pension | 3,015 | 40,730 | 43,745 |
| Increase in net pension liability | <u>170,498</u> | <u>28,256</u> | <u>198,754</u> |
| Net cash provided by (used in) operating activities | <u>\$ 570,507</u> | <u>\$ (493,021)</u> | <u>\$ 77,486</u> |
| NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Contributions of capital assets from other funds | <u>\$ 73,188</u> | <u>\$ 2,219,184</u> | <u>\$ 2,292,372</u> |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - SPLOST III FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| Project | Original Estimated Cost | Current Estimated Cost | Expenditures | | | Estimated Percent Complete |
|--|-------------------------------|------------------------------|----------------------|-----------------|----------------------|----------------------------------|
| | | | Beginning of Year | Current Year | To Date | |
| Roads, bridges, sidewalks and transportation facilities | \$ 3,060,000 | \$ 1,742,941 | \$ 1,742,941 | \$ - | \$ 1,742,941 | 100.00% |
| Public safety facilities and equipment | 2,000,000 | 2,551,386 | 2,551,386 | - | 2,551,386 | 100.00% |
| Public works facilities and equipment | 17,097,500 | 7,754,028 | 6,539,959 | 1,902 | 6,541,861 | 84.37% |
| Construction and renovation of municipal buildings | 10,700,000 | 6,358,696 | 6,358,696 | - | 6,358,696 | 100.00% |
| Total | <u>\$ 32,857,500</u> | <u>\$ 18,407,051</u> | <u>\$ 17,192,982</u> | <u>\$ 1,902</u> | <u>\$ 17,194,884</u> | <u>93.41%</u> |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - SPLOST IV FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| Project | Original Estimated Cost | Current Estimated Cost | Expenditures | | | Estimated Percent Complete |
|--|-------------------------------|------------------------------|----------------------|---------------------|----------------------|----------------------------------|
| | | | Beginning of Year | Current Year | To Date | |
| Roads, bridges, sidewalks and transportation facilities | \$ 1,500,000 | \$ 5,210,000 | \$ 2,835,260 | \$ 957,071 | \$ 3,792,331 | 72.79% |
| Public safety facilities and equipment | 4,180,000 | 131,817 | 131,817 | - | 131,017 | 100.00% |
| Public works facilities and equipment | 19,000,000 | 8,923,222 | 7,604,417 | 487,024 | 8,091,441 | 90.68% |
| Parks and recreation | 2,000,000 | 9,006,275 | 8,387,991 | - | 8,387,991 | 93.13% |
| Total | <u>\$ 26,680,000</u> | <u>\$ 23,271,314</u> | <u>\$ 18,959,485</u> | <u>\$ 1,444,095</u> | <u>\$ 20,403,580</u> | <u>87.68%</u> |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - SPLOST V FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| Project | Original Estimated Cost | Current Estimated Cost | Expenditures | | | Estimated Percent Complete |
|--|-------------------------------|------------------------------|----------------------|---------------------|---------------------|----------------------------------|
| | | | Beginning of Year | Current Year | To Date | |
| Roads, bridges, sidewalks and transportation facilities | \$ 4,720,959 | \$ 4,720,959 | \$ - | \$ 1,485,643 | \$ 1,485,643 | 31.47% |
| Civic projects | 9,852,437 | 9,852,437 | - | 240,613 | 240,613 | 2.44% |
| Parks and recreation | 1,231,554 | 1,231,554 | - | 173,734 | 173,734 | 14.11% |
| Sewer/Water/Stormwater infrastructure | 4,720,959 | 4,720,959 | - | 28,423 | 28,423 | 0.60% |
| Total | <u>\$ 20,525,909</u> | <u>\$ 20,525,909</u> | <u>\$ -</u> | <u>\$ 1,928,413</u> | <u>\$ 1,928,413</u> | <u>9.40%</u> |

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

| Project | Original Estimated Cost | Current Estimated Cost | Expenditures | | | Estimated Percent Complete |
|--|-------------------------------|------------------------------|----------------------|-----------------|-------------|----------------------------------|
| | | | Beginning of Year | Current Year | To Date | |
| Roads, bridges, sidewalks and transportation facilities | \$ 12,200,000 | \$ 12,200,000 | \$ - | \$ - | \$ - | 0.00% |
| Parks and recreation | 10,105,000 | 10,105,000 | - | - | - | 0.00% |
| Total | <u>\$ 22,305,000</u> | <u>\$ 22,305,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>0.00%</u> |

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Stockbridge, Georgia's (the "City") Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the City's overall financial health.

Page

Financial Trends 79 – 91

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

Revenue Capacity 92 – 95

These schedules contain information to help the reader assess the City's most significant local revenue source, sales taxes.

Debt Capacity 96 – 102

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

Demographic and Economic Information..... 103 and 104

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

Operating Information 105 – 109

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

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

CITY OF STOCKBRIDGE, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Governmental Activities | | | | | |
| Net investment in capital assets | \$ 32,551,895 | \$ 30,884,452 | \$ 29,316,744 | \$ 24,706,392 | \$ 25,476,622 |
| Restricted | 4,090,481 | 6,707,544 | 14,922,842 | 16,757,135 | 15,313,394 |
| Unrestricted | 6,138,430 | 7,423,318 | 7,770,791 | 14,920,345 | 17,534,743 |
| Total governmental activities net position | <u>\$ 42,780,806</u> | <u>\$ 45,015,314</u> | <u>\$ 52,010,377</u> | <u>\$ 56,383,872</u> | <u>\$ 58,324,759</u> |
| Business-Type Activities | | | | | |
| Net investment in capital assets | \$ 14,173,806 | \$ 15,869,585 | \$ 16,460,917 | \$ 16,337,920 | \$ 18,655,646 |
| Unrestricted | 4,716,724 | 5,891,310 | 6,533,628 | 7,495,232 | 7,231,099 |
| Total business-type activities net position | <u>\$ 18,890,530</u> | <u>\$ 21,760,895</u> | <u>\$ 22,994,545</u> | <u>\$ 23,833,152</u> | <u>\$ 25,886,745</u> |
| Primary Government | | | | | |
| Net investment in capital assets | \$ 46,725,701 | \$ 46,754,037 | \$ 45,777,661 | \$ 41,044,312 | \$ 44,132,268 |
| Restricted | 4,090,481 | 6,707,544 | 14,922,842 | 16,757,135 | 15,313,394 |
| Unrestricted | 10,855,154 | 13,314,628 | 14,304,419 | 22,415,577 | 24,765,842 |
| Total primary government net position | <u>\$ 61,671,336</u> | <u>\$ 66,776,209</u> | <u>\$ 75,004,922</u> | <u>\$ 80,217,024</u> | <u>\$ 84,211,504</u> |

| Fiscal Year | | | | |
|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 26,862,664 | \$ 28,435,249 | \$ 43,717,019 | \$ 48,261,529 | \$ 33,292,952 |
| 16,603,867 | 16,772,774 | 9,284,117 | 11,599,061 | 25,321,397 |
| 17,496,942 | 18,313,148 | 13,597,025 | 15,443,768 | 4,602,348 |
| <u>\$ 60,963,473</u> | <u>\$ 63,521,171</u> | <u>\$ 66,598,161</u> | <u>\$ 75,304,358</u> | <u>\$ 63,216,697</u> |
| | | | | |
| \$ 18,698,180 | \$ 22,251,421 | \$ 23,368,409 | \$ 21,459,083 | \$ 46,971,570 |
| 7,462,589 | 6,117,244 | 5,522,733 | 5,252,432 | 5,299,457 |
| <u>\$ 26,160,769</u> | <u>\$ 28,368,665</u> | <u>\$ 28,891,142</u> | <u>\$ 26,711,515</u> | <u>\$ 52,271,027</u> |
| | | | | |
| \$ 45,560,844 | \$ 50,686,670 | \$ 67,085,428 | \$ 69,720,612 | \$ 80,264,522 |
| 16,603,867 | 16,772,774 | 9,284,117 | 11,599,061 | 25,321,397 |
| 24,959,531 | 24,430,392 | 19,119,758 | 20,696,200 | 9,901,805 |
| <u>\$ 87,124,242</u> | <u>\$ 91,889,836</u> | <u>\$ 95,489,303</u> | <u>\$ 102,015,873</u> | <u>\$ 115,487,724</u> |

CITY OF STOCKBRIDGE, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Expenses | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 5,936,424 | \$ 3,561,543 | \$ 3,366,285 | \$ 3,496,445 | \$ 3,397,192 |
| Judicial ⁽¹⁾ | 847,430 | 787,946 | 665,664 | 447,338 | 172,218 |
| Public safety | 811,804 | 744,104 | 848,136 | 177,125 | 436,880 |
| Public works | 360,679 | 2,844,049 | 2,829,741 | 2,058,092 | 2,608,574 |
| Health and welfare | - | - | - | - | - |
| Culture and recreation | 66,573 | - | 10,577 | - | - |
| Housing and development | 191,209 | 203,265 | 1,267,243 | 739,159 | 1,037,910 |
| Interest on long-term debt | 681,001 | 656,137 | 629,911 | 602,535 | 573,861 |
| Total governmental activities expenses | <u>8,895,120</u> | <u>8,797,044</u> | <u>9,617,557</u> | <u>7,520,694</u> | <u>8,226,635</u> |
| Business-type activities: | | | | | |
| Water and sewer | 3,560,527 | 2,884,646 | 3,158,357 | 3,090,427 | 3,429,805 |
| Stormwater | 434,772 | 349,691 | 212,729 | 389,999 | 599,575 |
| Solid waste | 874,678 | 728,744 | 719,355 | 1,024,671 | 1,270,720 |
| Conference center | 347,392 | 331,099 | 290,062 | 393,485 | 492,130 |
| Community center | 95,972 | 28,849 | 49,768 | 51,876 | 56,177 |
| Amphitheater | - | - | - | - | - |
| Total business-type activities | <u>5,313,341</u> | <u>4,323,029</u> | <u>4,430,271</u> | <u>4,950,458</u> | <u>5,848,407</u> |
| Total primary government | <u>\$ 14,208,461</u> | <u>\$ 13,120,073</u> | <u>\$ 14,047,828</u> | <u>\$ 12,471,152</u> | <u>\$ 14,075,042</u> |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | \$ 345,093 | \$ 450,308 | \$ 347,970 | \$ 430,767 | \$ 440,347 |
| Judicial | 1,184,636 | 1,179,667 | 1,018,700 | 419,041 | 43,678 |
| Capital grants and contributions | 3,171,384 | 3,886,677 | 8,732,683 | 2,863,565 | 2,811,531 |
| Total governmental activities program revenues | <u>4,701,113</u> | <u>5,516,652</u> | <u>10,099,353</u> | <u>3,713,373</u> | <u>3,295,556</u> |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Water and sewer | 2,835,775 | 2,938,884 | 3,067,407 | 3,356,353 | 3,580,309 |
| Stormwater | 495,025 | 493,402 | 495,077 | 509,886 | 510,920 |
| Solid waste | 1,145,486 | 1,167,463 | 1,170,475 | 1,212,246 | 1,237,250 |
| Amphitheater | - | - | - | - | - |
| Conference center | 170,707 | 104,518 | 163,297 | 168,871 | 198,496 |
| Community center | 43,438 | 34,661 | 46,788 | 48,538 | 46,417 |
| Capital grants and contributions | - | - | - | - | - |
| Total business-type activities program revenues | <u>4,690,431</u> | <u>4,828,928</u> | <u>4,943,044</u> | <u>5,295,897</u> | <u>5,573,392</u> |
| Total primary government program revenues | <u>\$ 9,391,544</u> | <u>\$ 10,345,580</u> | <u>\$ 15,042,397</u> | <u>\$ 9,009,270</u> | <u>\$ 8,868,948</u> |

| Fiscal Year | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 4,192,501 | \$ 3,901,360 | \$ 4,448,902 | \$ 3,760,382 | \$ 14,215,859 |
| - | 187,427 | 276,608 | 155,059 | 1,625,210 |
| 198,810 | 266,742 | 292,705 | 345,410 | 8,317,170 |
| 4,768,839 | 5,915,846 | 4,191,206 | 3,149,973 | 20,668,385 |
| - | - | 1,509,531 | 42,502 | - |
| - | - | - | 376,263 | - |
| 1,480,341 | 1,878,636 | 1,639,480 | 1,972,305 | 2,989,823 |
| 544,013 | 512,812 | 480,220 | 1,381,846 | 914,109 |
| <u>11,184,504</u> | <u>12,662,823</u> | <u>12,838,652</u> | <u>11,183,740</u> | <u>48,730,556</u> |
| 3,515,666 | 3,784,323 | 4,359,746 | 4,370,327 | 4,457,740 |
| 620,265 | 478,698 | 573,183 | 628,728 | 579,548 |
| 1,417,032 | 1,464,732 | 1,577,462 | 1,658,235 | 1,884,867 |
| 502,506 | 572,740 | 639,116 | 2,315,364 | 665,555 |
| 60,532 | 49,948 | 44,115 | 567,622 | - |
| - | - | - | - | 3,081,604 |
| <u>6,116,001</u> | <u>6,350,441</u> | <u>7,193,622</u> | <u>9,540,276</u> | <u>10,669,314</u> |
| <u>\$ 17,300,505</u> | <u>\$ 19,013,264</u> | <u>\$ 20,032,274</u> | <u>\$ 20,724,016</u> | <u>\$ 59,399,870</u> |
| \$ 963,720 | \$ 1,008,764 | \$ 1,010,736 | \$ 1,302,633 | \$ 1,252,077 |
| 28,600 | 263,253 | 22,212 | 56,495 | 256,485 |
| <u>3,387,128</u> | <u>3,580,528</u> | <u>8,950,956</u> | <u>11,203,137</u> | <u>32,021,633</u> |
| <u>4,379,448</u> | <u>4,942,545</u> | <u>9,992,904</u> | <u>12,642,265</u> | <u>33,530,995</u> |
| 3,972,963 | 4,169,272 | 4,388,102 | 3,949,637 | 3,991,542 |
| 521,509 | 527,501 | 1,024,877 | 1,042,072 | 1,037,207 |
| 1,248,109 | 1,219,300 | 1,231,457 | 1,785,974 | 1,811,707 |
| - | - | - | 173,695 | 447,580 |
| 186,452 | 121,965 | 26,508 | - | 10,785 |
| 47,086 | 50,239 | 1,428 | - | - |
| - | 2,139,259 | 427,618 | 563,657 | 24,555,035 |
| <u>5,976,119</u> | <u>8,227,536</u> | <u>7,099,990</u> | <u>7,515,035</u> | <u>31,853,856</u> |
| <u>\$ 10,355,567</u> | <u>\$ 13,170,081</u> | <u>\$ 17,092,894</u> | <u>\$ 20,157,300</u> | <u>\$ 65,384,851</u> |

(Continued)

CITY OF STOCKBRIDGE, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|---|-----------------------|-----------------------|---------------------|-----------------------|-----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Program Revenues (Continued) | | | | | |
| Net (expense)/revenue | | | | | |
| Governmental activities | \$ (4,194,007) | \$ (3,280,392) | \$ 481,796 | \$ (3,807,321) | \$ (4,931,079) |
| Business-type activities | (622,910) | 505,899 | 512,773 | 345,439 | (275,015) |
| Total primary government net expense | <u>\$ (4,816,917)</u> | <u>\$ (2,774,493)</u> | <u>994,569</u> | <u>\$ (3,461,882)</u> | <u>\$ (5,206,094)</u> |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | | |
| Property taxes | \$ 231,993 | \$ 271,113 | \$ 226,911 | \$ 124,284 | \$ 126,814 |
| Sales taxes | 3,260,524 | 3,403,706 | 3,597,732 | 3,785,414 | 3,887,722 |
| Franchise taxes | 1,355,500 | 1,452,601 | 1,546,828 | 1,480,642 | 1,419,291 |
| Alcoholic beverage taxes | 621,381 | 663,251 | 704,298 | 711,402 | 726,445 |
| Business and occupation taxes | 617,617 | 472,466 | 564,290 | 601,511 | 661,371 |
| Insurance premium taxes | 1,322,407 | 1,419,779 | 1,516,512 | 1,642,740 | 1,751,247 |
| Hotel/Motel taxes | 87,052 | 92,580 | 130,588 | 222,993 | 445,240 |
| Other taxes | 74,168 | 84,437 | 120,925 | 103,613 | 180,437 |
| Unrestricted investment earnings | 49,919 | 17,715 | 4,322 | 1,381 | 2,007 |
| Transfers | 838,157 | (2,362,748) | (1,123,522) | (493,164) | (2,328,608) |
| Total governmental activities | <u>8,458,718</u> | <u>5,514,900</u> | <u>7,288,884</u> | <u>8,180,816</u> | <u>6,871,966</u> |
| Business-type activities: | | | | | |
| Unrestricted investment earnings | 1,888 | 1,718 | 334 | 4 | - |
| Gain on sale of capital assets | 890 | - | 42,791 | - | - |
| Transfers | (838,157) | 2,362,748 | 1,123,522 | 493,164 | 2,328,608 |
| Total business-type activities | <u>(835,379)</u> | <u>2,364,466</u> | <u>1,166,647</u> | <u>493,168</u> | <u>2,328,608</u> |
| Total primary government | <u>\$ 7,623,339</u> | <u>\$ 7,879,366</u> | <u>\$ 8,455,531</u> | <u>\$ 8,673,984</u> | <u>\$ 9,200,574</u> |
| Change in Net Position | | | | | |
| Governmental activities | \$ 4,264,711 | \$ 2,234,508 | \$ 7,770,680 | \$ 4,373,495 | \$ 1,940,887 |
| Business-type activities | (1,458,289) | 2,870,365 | 1,679,420 | 838,607 | 2,053,593 |
| Total primary government | <u>\$ 2,806,422</u> | <u>\$ 5,104,873</u> | <u>\$ 9,450,100</u> | <u>\$ 5,212,102</u> | <u>\$ 3,994,480</u> |

Note:

⁽¹⁾ The Community Center and the Conference Center activity was moved from a separate fund to a department within the General Fund in 2021.

| Fiscal Year | | | | |
|-----------------------|-----------------------|-----------------------|---------------------|----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ (6,805,056) | \$ (7,720,278) | \$ (2,845,748) | \$ 1,458,525 | \$ (15,199,561) |
| (139,882) | 1,877,095 | (93,632) | (2,025,241) | 21,184,542 |
| <u>\$ (6,944,938)</u> | <u>\$ (5,843,183)</u> | <u>\$ (2,939,380)</u> | <u>\$ (566,716)</u> | <u>\$ 5,984,981</u> |
| | | | | |
| \$ 221,334 | \$ 352,331 | \$ 544,338 | \$ 806,485 | \$ 770,169 |
| 4,161,389 | 4,474,981 | - | - | - |
| 1,497,519 | 1,559,754 | 1,599,506 | 1,494,487 | 1,614,172 |
| 747,612 | 760,087 | 842,612 | 841,605 | 851,324 |
| 815,350 | 827,926 | 959,288 | 1,083,528 | 1,210,279 |
| 1,888,635 | 2,012,698 | 2,122,713 | 2,187,071 | 2,389,696 |
| 454,239 | 472,110 | 349,863 | 546,818 | 484,363 |
| 68,837 | 136,456 | 93,190 | 131,398 | 165,611 |
| 2,761 | 12,434 | 27,337 | 1,894 | 1,256 |
| (413,906) | (330,801) | (616,109) | 154,386 | (4,374,970) |
| <u>9,443,770</u> | <u>10,277,976</u> | <u>5,922,738</u> | <u>7,247,672</u> | <u>3,111,900</u> |
| | | | | |
| 413,906 | 330,801 | 616,109 | (154,386) | 4,374,970 |
| 413,906 | 330,801 | 616,109 | (154,386) | 4,374,970 |
| <u>\$ 9,857,676</u> | <u>\$ 10,608,777</u> | <u>\$ 6,538,847</u> | <u>\$ 7,093,286</u> | <u>\$ 7,486,870</u> |
| | | | | |
| \$ 2,638,714 | \$ 2,557,698 | \$ 3,076,990 | \$ 8,706,197 | \$ (12,087,661) |
| 274,024 | 2,207,896 | 522,477 | (2,179,627) | 25,559,512 |
| <u>\$ 2,912,738</u> | <u>\$ 4,765,594</u> | <u>\$ 3,599,467</u> | <u>\$ 6,526,570</u> | <u>\$ 13,471,851</u> |

CITY OF STOCKBRIDGE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| Fiscal Year | Property Tax | Sales Tax | Franchise Tax | Alcoholic Beverage Tax | Business and Occupation Tax | Insurance Premium Tax |
|-------------|--------------|--------------|---------------|------------------------|-----------------------------|-----------------------|
| 2013 | \$ 231,993 | \$ 3,260,524 | \$ 1,355,500 | \$ 621,381 | \$ 617,617 | \$ 1,322,407 |
| 2014 | 271,113 | 3,403,706 | 1,452,601 | 663,251 | 472,466 | 1,419,779 |
| 2015 | 226,911 | 3,597,732 | 1,546,828 | 704,298 | 564,290 | 1,516,512 |
| 2016 | 124,284 | 3,785,414 | 1,480,642 | 711,402 | 601,511 | 1,642,740 |
| 2017 | 126,814 | 3,887,722 | 1,419,291 | 726,445 | 661,371 | 1,751,247 |
| 2018 | 221,334 | 4,161,389 | 1,497,519 | 747,612 | 815,350 | 1,888,635 |
| 2019 | 352,331 | 4,474,981 | 1,559,754 | 760,087 | 827,926 | 2,012,698 |
| 2020 | 544,338 | - | 1,599,506 | 842,612 | 959,288 | 2,122,713 |
| 2021 | 806,485 | - | 1,494,487 | 841,605 | 1,083,528 | 2,187,071 |
| 2022 | 770,169 | - | 1,614,172 | 851,324 | 1,210,279 | 2,389,696 |

Note: Sales and Use Tax revenues along with most other tax revenue sources have increased due to the significant growth in both population and commercial businesses.

| Other Taxes | | Total | |
|------------------------|---------|--------------|------------|
| \$ | 161,220 | \$ | 7,570,642 |
| | 177,017 | | 7,859,933 |
| | 251,513 | | 8,408,084 |
| | 326,606 | | 8,672,599 |
| | 626,677 | | 9,108,567 |
| | 523,076 | | 9,854,915 |
| | 608,566 | | 10,596,343 |
| | 443,053 | | 6,511,510 |
| | 678,216 | | 7,091,392 |
| | 649,974 | | 7,485,614 |

CITY OF STOCKBRIDGE, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| General Fund: | | | | | |
| Nonspendable | \$ 6,138,534 | \$ 6,116,722 | \$ 6,078,840 | \$ 4,605,760 | \$ 2,289,521 |
| Restricted | 62,475 | - | 166,864 | - | - |
| Assigned | 142,654 | 113,588 | 138,184 | 58,937 | 2,874 |
| Unassigned | 4,486,260 | 6,166,220 | 8,232,433 | 11,326,184 | 16,328,566 |
| Total General Fund | <u>\$ 10,829,923</u> | <u>\$ 12,396,530</u> | <u>\$ 14,616,321</u> | <u>\$ 15,990,881</u> | <u>\$ 18,620,961</u> |
| All Other Governmental Funds: | | | | | |
| Nonspendable | \$ 280,884 | \$ 592,900 | \$ 5,084 | \$ 5,597 | \$ 5,000 |
| Restricted, reported in: | | | | | |
| Special revenue funds | 40,220 | 68,238 | 129,398 | 187,190 | 337,145 |
| Capital project funds | 3,975,827 | 6,627,115 | 14,614,296 | 16,557,661 | 14,963,965 |
| Permanent fund | 6,959 | 7,191 | 7,284 | 7,284 | 7,284 |
| Assigned, reported in: | | | | | |
| Capital project funds | (4,879,042) | (5,513,757) | (5,765,237) | - | - |
| Unassigned | - | - | - | - | - |
| Total all other governmental funds | <u>\$ (575,352)</u> | <u>\$ 1,781,687</u> | <u>\$ 8,991,425</u> | <u>\$ 16,757,732</u> | <u>\$ 15,313,394</u> |

Note: Governmental Accounting Standards Board Statement No. 54 was adopted in 2011.

| Fiscal Year | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 2,274,304 | \$ 2,276,346 | \$ 2,293,686 | \$ 2,298,715 | \$ 2,569,719 |
| 829,299 | 315,625 | 1,104,366 | 7,975,208 | 679,237 |
| 15,634,005 | 16,648,682 | 13,603,614 | 5,769,093 | 1,212,272 |
| <u>\$ 18,737,608</u> | <u>\$ 19,240,653</u> | <u>\$ 17,001,666</u> | <u>\$ 16,043,016</u> | <u>\$ 4,461,228</u> |
| | | | | |
| \$ 5,000 | \$ 5,824 | \$ 5,000 | \$ 5,000 | \$ 5,566 |
| 506,466 | 691,087 | 839,531 | 1,059,221 | 1,098,311 |
| 16,085,451 | 16,069,737 | 8,432,636 | 28,620,712 | 39,430,598 |
| 6,950 | 6,950 | 6,950 | 6,950 | 6,950 |
| (162,940) | (61,322) | (3,030,430) | 353,351 | 353,351 |
| - | - | - | - | (260,855) |
| <u>\$ 16,440,927</u> | <u>\$ 16,712,276</u> | <u>\$ 6,253,687</u> | <u>\$ 30,045,234</u> | <u>\$ 40,894,776</u> |

CITY OF STOCKBRIDGE, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|--|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Revenues | | | | | |
| Taxes | \$ 7,565,511 | \$ 7,860,843 | \$ 8,399,813 | \$ 8,625,047 | \$ 9,266,993 |
| Licenses and permits | 246,441 | 174,297 | 211,001 | 258,637 | 291,989 |
| Intergovernmental | 2,899,752 | 3,861,031 | 8,721,298 | 2,839,897 | 2,758,823 |
| Fines and forfeitures | 1,131,672 | 1,210,910 | 1,059,330 | 539,215 | 68,652 |
| Charges for services | 4,391 | 1,187 | 3,078 | 5,590 | 7,858 |
| Impact fees | - | - | - | - | - |
| Contributions | 125,000 | - | - | - | - |
| Rental income | - | 21,226 | 700 | - | 600 |
| Investment earnings | 57,298 | 22,135 | 15,707 | 25,049 | 54,715 |
| Miscellaneous | 94,261 | 274,824 | 133,191 | 161,623 | 139,752 |
| Total revenues | <u>12,124,326</u> | <u>13,426,453</u> | <u>18,544,118</u> | <u>12,455,058</u> | <u>12,589,382</u> |
| Expenditures | | | | | |
| General government | 3,190,031 | 2,929,787 | 2,673,703 | 2,701,378 | 2,990,473 |
| Judicial | 805,170 | 767,735 | 615,842 | 437,762 | 180,971 |
| Public safety | 745,644 | 671,715 | 790,475 | 136,373 | 161,280 |
| Public works and parks | 2,985,676 | 2,051,248 | 1,978,791 | 1,699,509 | 2,122,376 |
| Health and welfare | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Housing and development | 190,100 | 512,598 | 1,233,236 | 739,159 | 1,042,949 |
| Urban redevelopment | - | - | - | - | - |
| Tourism and promotion | - | - | - | - | - |
| Capital outlay | 9,732,121 | 1,214,890 | 562,889 | 869,169 | 4,121,584 |
| Debt service: | | | | | |
| Principal | 520,000 | 545,000 | 570,000 | 595,000 | 625,000 |
| Interest | 690,980 | 666,595 | 640,851 | 613,951 | 585,859 |
| Bond issuance costs | - | - | - | - | - |
| Total expenditures | <u>18,859,722</u> | <u>9,359,568</u> | <u>9,065,787</u> | <u>7,792,301</u> | <u>11,830,492</u> |
| Excess of revenues over (under) expenditures | <u>(6,735,396)</u> | <u>4,066,885</u> | <u>9,478,331</u> | <u>4,662,757</u> | <u>758,890</u> |
| Other financing sources (uses) | | | | | |
| Proceeds from debt issues | - | - | - | - | - |
| Recognition of extinguishment of debt | - | - | - | 4,532,836 | - |
| Transfers | (150,464) | (143,239) | (48,802) | (54,726) | (120,785) |
| Proceeds from sale of assets | 2,040 | - | - | - | 547,637 |
| Total other financing sources (uses) | <u>(148,424)</u> | <u>(143,239)</u> | <u>(48,802)</u> | <u>4,478,110</u> | <u>426,852</u> |
| Net change in fund balances | <u>\$ (6,883,820)</u> | <u>\$ 3,923,646</u> | <u>\$ 9,429,529</u> | <u>\$ 9,140,867</u> | <u>\$ 1,185,742</u> |
| Debt service as a percentage of non-capital expenditures | 14.6% | 15.1% | 13.7% | 17.7% | 14.7% |

Note: There was a significant increase in intergovernmental revenue in 2015 due to \$6,000,000 bond issuance for SPLOST projects.

| Fiscal Year | | | | |
|--------------|---------------|-----------------|---------------|----------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 9,854,915 | \$ 10,596,343 | \$ 6,522,700 | \$ 7,074,412 | \$ 7,483,294 |
| 714,550 | 697,648 | 819,533 | 667,913 | 813,684 |
| 3,278,162 | 3,437,264 | 8,780,119 | 10,967,695 | 31,806,828 |
| 39,297 | 77,523 | 26,498 | 56,495 | 256,485 |
| 74,112 | 159,781 | 85,649 | 168,441 | 280,123 |
| - | - | 292,941 | 234,829 | 213,480 |
| - | - | - | - | - |
| 30,969 | 36,631 | 278 | - | 31,560 |
| 111,727 | 155,698 | 66,383 | 2,507 | 2,581 |
| 144,089 | 204,804 | 114,115 | 546,279 | 127,510 |
| 14,247,821 | 15,365,592 | 16,708,216 | 19,718,571 | 41,015,545 |
| 4,665,663 | 4,558,705 | 4,075,046 | 4,462,556 | 6,218,975 |
| 122,342 | 220,695 | 214,208 | 212,568 | 357,139 |
| 148,680 | 199,803 | 232,493 | 1,126,188 | 4,435,360 |
| 2,361,610 | 2,571,822 | 2,964,115 | 3,530,060 | 5,883,404 |
| - | - | 1,509,531 | 42,502 | - |
| - | - | - | 365,855 | - |
| 1,479,499 | 1,881,539 | 1,637,282 | 1,974,293 | 2,990,746 |
| - | - | - | - | - |
| - | - | - | - | - |
| 2,886,748 | 3,621,973 | 16,959,540 | 9,340,130 | 13,444,994 |
| 650,000 | 680,000 | 710,000 | 745,000 | 3,476,897 |
| 556,491 | 525,860 | 493,848 | 644,376 | 943,550 |
| - | - | - | 536,098 | - |
| 12,871,033 | 14,260,397 | 28,796,063 | 22,979,626 | 37,751,065 |
| 1,376,788 | 1,105,195 | (12,087,847) | (3,261,055) | 3,264,480 |
| - | - | - | 25,805,000 | - |
| - | - | - | - | - |
| (162,065) | (330,801) | (616,109) | 154,386 | (4,374,970) |
| 19,457 | - | 6,380 | 134,566 | - |
| (142,608) | (330,801) | (609,729) | 26,093,952 | (4,374,970) |
| \$ 1,234,180 | \$ 774,394 | \$ (12,697,576) | \$ 22,832,897 | \$ (1,110,490) |
| 11.4% | 9.9% | 10.0% | 14.7% | 15.8% |

CITY OF STOCKBRIDGE, GEORGIA

GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| Fiscal Year | Property Tax | Franchise Tax | Alcoholic Beverage Tax | Insurance Premium Tax | Business and Occupation Tax | Other Taxes | Total |
|-------------|--------------|---------------|------------------------|-----------------------|-----------------------------|-------------|--------------|
| 2013 | \$ 231,993 | \$ 1,350,369 | \$ 621,381 | \$ 1,322,407 | \$ 617,617 | \$ 161,220 | \$ 4,304,987 |
| 2014 | 271,113 | 1,453,511 | 663,251 | 1,419,779 | 444,366 | 205,117 | 4,457,137 |
| 2015 | 226,911 | 1,538,557 | 704,298 | 1,516,512 | 558,840 | 256,963 | 4,802,081 |
| 2016 | 124,284 | 1,433,090 | 711,402 | 1,642,740 | 546,502 | 381,615 | 4,839,633 |
| 2017 | 126,814 | 1,487,717 | 726,445 | 1,751,247 | 661,371 | 625,677 | 5,379,271 |
| 2018 | 221,334 | 1,497,519 | 747,612 | 1,888,635 | 815,350 | 523,076 | 5,693,526 |
| 2019 | 352,331 | 1,559,754 | 760,087 | 2,012,698 | 827,926 | 608,566 | 6,121,362 |
| 2020 | 555,528 | 1,599,506 | 842,612 | 2,122,713 | 959,288 | 443,053 | 6,522,700 |
| 2021 | 806,485 | 1,494,487 | 841,605 | 2,187,071 | 1,083,528 | 678,216 | 7,091,392 |
| 2022 | 770,169 | 1,614,172 | 851,324 | 2,389,696 | 1,210,279 | 649,974 | 7,485,614 |

Note: Sales and Use Tax revenues along with most other tax revenue sources have increased due to the significant growth in both population and commercial businesses.

CITY OF STOCKBRIDGE, GEORGIA

ASSESSED VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

| Tax Year | Assessed Value | | | | Less: Tax-Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate |
|-------------|----------------------------------|------------------|----------------|------------|---------------------------------|---------------------------------------|-----------------------------|
| | Real and Personal Property | Motor Vehicle | Mobile Home | Other | | | |
| 2013 | \$ 653,081,289 | \$ 25,863,520 | \$ 1,604,083 | \$ 165,000 | \$ (41,029,339) | \$ 639,684,553 | 0.000 |
| 2014 | 676,829,226 | 20,949,450 | 1,595,881 | 762,897 | (6,332,991) | 693,804,463 | 0.000 |
| 2015 | 734,070,209 | 15,891,630 | 1,542,715 | 10,099 | (7,374,892) | 744,139,761 | 0.000 |
| 2016 | 806,767,219 | 11,699,210 | 1,475,725 | 20,499 | (8,617,909) | 811,344,744 | 0.000 |
| 2017 | 851,439,452 | 8,526,740 | 1,540,136 | - | (13,588,601) | 847,917,727 | 0.000 |
| 2018 | 903,388,035 | 5,912,810 | 1,534,666 | 57,530 | (15,504,457) | 895,388,584 | 0.000 |
| 2019 | 962,641,023 | 4,770,560 | 1,755,941 | 112,255 | (12,896,367) | 956,383,412 | 0.000 |
| 2020 | 1,016,246,217 | 3,822,220 | 1,767,905 | 42,036 | (16,847,322) | 1,005,031,056 | 0.000 |
| 2021 | 1,071,979,964 | 3,081,600 | 1,774,787 | 39,322 | (19,642,092) | 1,057,233,581 | 0.000 |
| 2022 | 1,308,782,765 | 2,928,210 | 1,862,463 | 18,410 | (27,440,912) | 1,286,150,936 | 0.000 |

SOURCE:

Henry County Tax Commissioner

Note: Assessed value is calculated at 40% of estimated actual fair market value.

CITY OF STOCKBRIDGE, GEORGIA

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

| <u>Tax/Fiscal Year</u> | <u>City</u> | <u>County</u> | <u>County School District M&O</u> | <u>County School District Bond</u> | <u>Water</u> | <u>Hospital</u> | <u>State</u> | <u>Total</u> |
|----------------------------|-------------|---------------|---|--|--------------|-----------------|--------------|--------------|
| 2013 | 0.00 | 14.50 | 20.00 | 3.63 | 2.00 | 0.00 | 0.15 | 40.28 |
| 2014 | 0.00 | 14.30 | 20.00 | 3.63 | 2.00 | 0.00 | 0.10 | 40.03 |
| 2015 | 0.00 | 13.87 | 20.00 | 3.63 | 2.00 | 0.00 | 0.05 | 39.55 |
| 2016 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2017 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2018 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2019 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2020 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2021 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |
| 2022 | 0.00 | 12.73 | 20.00 | 3.63 | 2.00 | 0.00 | 0.00 | 38.36 |

SOURCE:

Henry County Tax Commissioner

Note: All tax rates are per \$1,000 assessed valuation, less exemptions.

CITY OF STOCKBRIDGE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

| Taxpayer | Fiscal Year 2022 | | | Fiscal Year 2013 | | |
|---|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Eastwood Village Gardens LP | \$ 20,413 | 1 | 1.59% | \$ - | - | - |
| AR-Eagles Landing LLC, JFB-Eagles Landing LLC | 17,828 | 2 | 1.39% | - | - | - |
| CSP Community Owner LLP | 17,240 | 3 | 1.34% | 7,794 | 5 | 1.22% |
| Vulcan Lands and Materials LLC | 16,199 | 4 | 1.26% | - | - | - |
| Waterford Landing Apartments LLC | 15,712 | 5 | 1.22% | 6,007 | 7 | 0.94% |
| St. Ives Apartments LLC | 14,160 | 6 | 1.10% | 7,900 | 4 | 1.23% |
| Crossings@Eagles Landing | 13,769 | 7 | 1.07% | 6,058 | - | 0.95% |
| WWC XXXIX LP | 12,586 | 8 | 0.98% | - | - | - |
| North Park Property Owner LLC | 11,348 | 9 | 0.88% | 10,109 | - | 1.58% |
| Georgia Power Company | 9,483 | 10 | 0.74% | - | - | - |
| Walmart Real Estate Business Trust | - | - | - | 13,283 | 1 | 2.08% |
| West Henry Land Corp & Etal | - | - | - | 8,940 | 2 | 1.40% |
| Concert PSP Atlanta - Eastwood | - | - | - | 8,447 | 3 | 1.32% |
| JES@Eagles Landing LLC | - | - | - | 6,910 | 6 | 1.08% |
| CS Stockbridge LKE LLC | - | - | - | 5,783 | 8 | 0.90% |
| WR of Stockbridge II LLC | - | - | - | 5,424 | 9 | 0.85% |
| Sagebrush Stonegate | - | - | - | 5,016 | 10 | 0.78% |
| Total | <u>\$ 148,738</u> | | <u>11.57%</u> | <u>\$ 91,671</u> | | <u>14.33%</u> |

SOURCE:

Henry County Tax Commissioner

Note: Amounts expressed in thousands.

CITY OF STOCKBRIDGE, GEORGIA

PRINCIPAL FRANCHISE TAXPAYERS CURRENT YEAR AND SIX YEARS AGO

| Franchise Taxpayer | Fiscal Year 2022 | | | Fiscal Year 2016 | | |
|---------------------------------|---------------------|------|-----------------------------|---------------------|------|-----------------------------|
| | Revenue | Rank | Percentage of Total Revenue | Revenue | Rank | Percentage of Total Revenue |
| Georgia Power Company | \$ 1,224,383 | 1 | 73.42% | \$ 1,089,242 | 1 | 76.31% |
| Atlanta Gas Light | 140,838 | 2 | 8.45% | 92,727 | 4 | 6.50% |
| Charter | 140,156 | 3 | 8.40% | 138,345 | 2 | 9.69% |
| Comcast | 73,508 | 4 | 4.41% | - | - | - |
| Snapping Shoals | 36,204 | 5 | 2.17% | 437 | 9 | 0.03% |
| Directv | 26,812 | 6 | 1.61% | - | - | - |
| Bellsouth | 17,639 | 7 | 1.06% | 93,570 | 3 | 6.56% |
| College Park | 5,728 | 8 | 0.34% | 7,414 | 5 | 0.52% |
| Diatro LLC | 1,980 | 9 | 0.12% | 258 | 10 | 0.02% |
| Fusion Cloud (Birch) | 413 | 10 | 0.02% | 1,531 | 7 | 0.11% |
| Fusion (Cbeyond Communications) | - | - | - | 3,224 | 6 | 0.23% |
| Electric Lightwave | - | - | - | 498 | 8 | 0.03% |
| Verizon | - | - | - | - | - | - |
| Total | <u>\$ 1,667,661</u> | | <u>100.00%</u> | <u>\$ 1,427,246</u> | | <u>100.00%</u> |

SOURCE:

Stockbridge Finance Department

Note: 2013 information not available, 2016 information provided.

CITY OF STOCKBRIDGE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

| Fiscal Year | Governmental Activities | | | Business-type Activities | | |
|----------------|-------------------------------|--------------------------------------|---------------|--------------------------|------------------|--------------|
| | Redevelopment Agency Bonds | Public Facilities Authority Bonds | Total | Revenue Bonds | Notes Payable | Total |
| 2013 | \$ 14,735,000 | \$ - | \$ 14,735,000 | \$ - | \$ 1,749,444 | \$ 1,749,444 |
| 2014 | 14,190,000 | - | 14,190,000 | - | 1,673,651 | 1,673,651 |
| 2015 | 13,620,000 | - | 13,620,000 | - | 1,595,552 | 1,595,552 |
| 2016 | 13,025,000 | - | 13,025,000 | - | 1,515,078 | 1,515,078 |
| 2017 | 12,400,000 | - | 12,400,000 | - | 1,432,156 | 1,432,156 |
| 2018 | 11,750,000 | - | 11,750,000 | - | 1,346,713 | 1,346,713 |
| 2019 | 11,070,000 | - | 11,070,000 | - | 1,258,670 | 1,258,670 |
| 2020 | 10,360,000 | - | 10,360,000 | - | 1,213,649 | 1,213,649 |
| 2021 | 9,615,000 | 25,805,000 | 35,420,000 | - | 1,120,169 | 1,120,169 |
| 2022 | 8,835,000 | 23,120,000 | 31,955,000 | - | 1,023,845 | 1,023,845 |

SOURCE:

Population data from Quick Facts Census Data

Note: Details regarding the City's outstanding debt can be found in Note 7 of the current financial statements.

| Total Primary Government | | Population | Percentage of Personal Income | Per Capita |
|--------------------------------|------------|------------|-------------------------------------|---------------|
| \$ | 16,484,444 | 26,905 | 2.68 % | \$ 613 |
| | 15,863,651 | 27,205 | 2.54 | 583 |
| | 15,215,552 | 27,619 | 2.29 | 551 |
| | 14,540,078 | 28,202 | 2.25 | 516 |
| | 13,832,156 | 29,114 | 2.07 | 475 |
| | 13,096,713 | 29,638 | 1.81 | 442 |
| | 12,328,670 | 29,904 | 1.59 | 412 |
| | 11,573,649 | 24,794 | 1.49 | 467 |
| | 36,540,169 | 29,163 | 4.71 | 1,253 |
| | 32,978,845 | 29,064 | 3.89 | 1,135 |

CITY OF STOCKBRIDGE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2022

| <u>Category of Debt</u> | | <u>Amount of Outstanding Debt</u> | <u>Percentage Applicable To Government</u> | <u>Amount Applicable to City of Stockbridge</u> |
|-------------------------|--|-----------------------------------|--|---|
| Direct | | | | |
| | City of Stockbridge General Obligation Bonds | \$ - | | \$ - |
| | Capital Leases | - | | - |
| | Total Direct Debt | <u>\$ -</u> | | <u>\$ -</u> |
| Overlapping | | | | |
| | General Obligation Debt: | | | |
| | Henry County Capital Lease | \$ 10,064,888 | 13.36% | \$ 1,344,669 |
| | Henry County Revenue Bonds | 3,211,537 | 13.36% | 429,061 |
| | Henry County General Obligation | <u>24,925,000</u> | 13.36% | <u>3,329,980</u> |
| | | <u>\$ 38,201,425</u> | | <u>\$ 5,103,710</u> |
| | Henry County Schools Bonds Payable | <u>\$ 395,355,000</u> | 13.36% | <u>\$ 52,819,428</u> |
| | Total Direct and Overlapping Debt | <u>\$ 433,556,425</u> | | <u>\$ 57,923,138</u> |

SOURCE:

Henry County Unaudited Financial Statements and Henry County Board of Education Audited Financial Statements

CITY OF STOCKBRIDGE, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

| | Fiscal Year | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Debt limit | \$ 63,968,455 | \$ 69,380,446 | \$ 74,413,976 | \$ 81,134,474 | \$ 84,791,773 |
| Total net debt applicable to limit | | | | | |
| Legal debt margin | \$ 63,968,455 | \$ 69,380,446 | \$ 74,413,976 | \$ 81,134,474 | \$ 84,791,773 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Note: Under Georgia law, the City's outstanding general obligation debt should not exceed 10% of total assessed property value. The City has no general obligation debt that is subject to the debt limitation.

| Fiscal Year | | | | |
|----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 89,538,858 | \$ 95,638,341 | \$ 100,503,106 | \$ 105,723,358 | \$ 128,615,094 |
| | | | | |
| <u>\$ 89,538,858</u> | <u>\$ 95,638,341</u> | <u>\$ 100,503,106</u> | <u>\$ 105,723,358</u> | <u>\$ 128,615,094</u> |
| 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

CITY OF STOCKBRIDGE, GEORGIA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

| Fiscal Year | Water & Sewer Debt | | | | | |
|-------------|-----------------------------------|--------------------------|-----------------------|-----------|-----------|----------|
| | Water & Sewer Fund Gross Revenues | Less: Operating Expenses | Net Available Revenue | Principal | Interest | Coverage |
| 2013 | \$ 2,836,218 | \$ 2,143,837 | \$ 692,381 | \$ 73,556 | \$ 53,500 | 5.45 |
| 2014 | 2,939,225 | 2,321,279 | 617,946 | 75,793 | 51,257 | 4.86 |
| 2015 | 3,190,340 | 2,490,903 | 699,437 | 78,099 | 48,946 | 5.51 |
| 2016 | 3,784,703 | 2,400,268 | 1,384,435 | 80,474 | 46,565 | 10.90 |
| 2017 | 5,788,132 | 2,715,737 | 3,072,395 | 82,922 | 44,111 | 24.19 |
| 2018 | 4,224,804 | 2,778,790 | 1,446,014 | 85,443 | 41,583 | 11.38 |
| 2019 | 6,308,531 | 2,955,003 | 3,353,528 | 88,043 | 38,977 | 26.40 |
| 2020 | 4,721,445 | 3,545,305 | 1,176,140 | 45,021 | 18,373 | 18.55 |
| 2021 | 4,404,851 | 3,528,253 | 876,598 | 93,480 | 33,760 | 6.89 |
| 2022 | 5,744,460 | 3,611,789 | 2,132,671 | 96,324 | 30,917 | 16.76 |

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) Operating expenses do not include interest, depreciation, or amortization expense.
- (3) Gross revenues include capital contributions.
- (4) Water and Sewer Debt beginning in fiscal year 2011 consists solely of loans through the Georgia Environmental Finance Authority

Urban Redevelopment Revenue Bonds

| Gross/ Pledged Revenues | | Principal | Interest | Coverage |
|--|-----------|------------------|-----------------|-----------------|
| \$ | 1,210,980 | \$ 520,000 | \$ 690,980 | 1.00 |
| | 1,211,595 | 545,000 | 666,595 | 1.00 |
| | 1,210,851 | 570,000 | 640,851 | 1.00 |
| | 1,208,951 | 595,000 | 613,951 | 1.00 |
| | 1,210,859 | 625,000 | 585,859 | 1.00 |
| | 1,206,491 | 650,000 | 556,491 | 1.00 |
| | 1,205,860 | 680,000 | 525,860 | 1.00 |
| | 1,203,848 | 710,000 | 493,848 | 1.00 |
| | 1,205,337 | 745,000 | 460,337 | 1.00 |
| | 1,205,213 | 780,000 | 425,213 | 1.00 |

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

| Fiscal Year | Population | Personal Income (thousands) ⁽²⁾ | Per Capita Personal Income ⁽²⁾ | Median Age ⁽²⁾⁽⁶⁾ | School Enrollment ⁽³⁾ | Stockbridge Unemployment Rate ⁽⁴⁾ |
|--------------------|-----------------------|---|--|-------------------------------------|---|---|
| 2013 | 26,905 ⁽⁵⁾ | \$ 615,344,255 | \$ 22,871 | 34.8 | 1,742 | 9.6% % |
| 2014 | 27,205 ⁽⁵⁾ | 624,218,725 | 22,945 | 35.8 | 1,667 | 8.0% |
| 2015 | 27,619 ⁽⁵⁾ | 664,457,902 | 24,058 | 34.9 | 1,691 | 6.7% |
| 2016 | 28,202 ⁽⁵⁾ | 647,094,890 | 22,945 | 35.8 | 1,604 | 6.6% |
| 2017 | 29,114 ⁽⁵⁾ | 667,234,652 | 22,918 | 35.3 | 1,617 | 4.9% |
| 2018 | 29,638 ⁽⁵⁾ | 724,826,928 | 24,456 | 35.8 | 1,612 | 4.3% |
| 2019 | 29,904 ⁽⁵⁾ | 775,470,528 | 25,932 | 34.6 | 1,522 | 4.7% |
| 2020 | 24,794 ⁽⁵⁾ | 775,470,528 | 25,932 | 34.6 | 1,522 | 4.7% |
| 2021 | 29,163 ⁽⁵⁾ | 848,409,996 | 29,092 | 36.7 | 1,436 | 3.8% |
| 2022 | 29,064 ⁽⁵⁾ | 720,612,816 ⁽⁵⁾ | 24,794 ⁽²⁾ | 36.7 | 1,414 | 2.9% ⁽⁶⁾ |

SOURCES:

- ⁽¹⁾ Atlanta Regional Commission
- ⁽²⁾ Sperling's Best Places
- ⁽³⁾ Henry County Board of Education
- ⁽⁴⁾ Homefacts.com
- ⁽⁵⁾ U.S. Census Bureau Estimates
- ⁽⁶⁾ Georgia Labor Market Explorer

CITY OF STOCKBRIDGE, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

| Employer | Fiscal Year 2022 | | | Fiscal Year 2013 | | |
|--------------------------------------|------------------|------|---|------------------|------|---|
| | Employees | Rank | Employer's percentage of total employment | Employees | Rank | Employer's percentage of total employment |
| Piedmont Hospital | 1,704 | 1 | 12.27% | N/A | | - |
| Walmart Supercenter | 792 | 2 | 5.70% | 1,196 | 1 | 49.26% |
| Publix Super Market | 408 | 3 | 2.94% | 327 | 2 | 13.47% |
| City of Stockbridge | 147 | 4 | 1.06% | 61 | 9 | 2.51% |
| Ingles | 141 | 5 | 1.02% | 178 | 3 | 7.33% |
| Eagles Landing Christian Academy | 135 | 6 | 0.97% | N/A | | - |
| Brandsmart USA | 107 | 7 | 0.77% | 114 | 5 | 4.70% |
| Utility Trailer of Georgia | 101 | 8 | 0.73% | 89 | 8 | 3.67% |
| Kohl's Department Store | 89 | 9 | 0.64% | 89 | 8 | 3.67% |
| Vulcan Materials | 87 | 10 | 0.63% | 111 | 6 | 4.57% |
| At Home (Garden Ridge in 2007) | 45 | | 0.32% | 35 | | 1.44% |
| Henry County Schools within the City | N/A | | - | 135 | 4 | 5.56% |
| Eagles Landing Country Club | N/A | | - | 93 | 7 | 3.83% |
| All Other Employers | 10,127 | | 72.95% | N/A | | - |
| Total | 13,883 | | | 2,428 | | |

SOURCE:

City of Stockbridge, Georgia records

N/A - information not available

CITY OF STOCKBRIDGE, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | | | | | | | |
|------------------------|-------------|------|------|------|------|------|------|------|------|------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Executive | 1 | 2 | 5 | 5 | 4 | 5 | 5 | 7 | 6 | 5 |
| Administration | 9 | 10 | 10 | 10 | 12 | 12 | 6 | 8 | 10 | 13 |
| City Clerk | - | - | - | - | - | - | 5 | 5 | 5 | 6 |
| Facilities maintenance | - | - | - | 4 | 2 | 2 | 2 | 2 | 2 | 2 |
| Municipal court | - | 3 | 3 | 3 | 1 | 1 | 2 | 2 | 2 | 2 |
| Public works and parks | 19 | 20 | 20 | 17 | 13 | 19 | 17 | 18 | 18 | 21 |
| City events | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 3 |
| Code enforcement | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 2 |
| Police | - | - | - | - | - | - | - | - | 5 | 62 |
| Permitting development | - | - | - | - | - | - | 2 | 2 | 2 | 2 |
| Planning and zoning | - | - | - | - | - | - | 2 | 2 | 2 | 5 |
| Economic development | - | - | - | - | - | - | 1 | 1 | 1 | 0 |
| Main street | - | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| GIS | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Water/Sewer | 15 | 15 | 15 | 16 | 15 | 18 | 18 | 18 | 22 | 14 |
| Stormwater | 3 | 3 | 2 | 7 | 7 | 6 | 5 | 5 | 5 | 3 |
| Sanitation | 9 | 7 | 7 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Conference Center | 4 | 1 | 1 | 2 | 3 | 3 | 4 | 4 | 5 | 3 |
| Total | 61 | 64 | 66 | 71 | 64 | 73 | 76 | 81 | 93 | 147 |

SOURCE:

City of Stockbridge, Georgia records

Notes:

- (1) Employee counts for years 2011 - 2013 are estimates based on available information.
- (2) Elected officials and appointed court personnel are not included.
- (3) The City uses personnel services lawn maintenance, not included above.

CITY OF STOCKBRIDGE, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN CALENDAR YEARS

| Function | Fiscal Year | | | | |
|-------------------------------|--------------|--------------|--------------|------------|------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Municipal Court | | | | | |
| Fines and forfeitures | \$ 1,131,672 | \$ 1,210,910 | \$ 1,059,330 | \$ 539,215 | \$ 57,196 |
| Number of cases | 5,852 | 5,967 | 5,185 | 1,702 | 281 |
| Conference Center | | | | | |
| Annual rents | \$ 186,189 | \$ 190,813 | \$ 179,319 | \$ 168,874 | \$ 191,568 |
| Occupation Tax | | | | | |
| Annual renewals | 1,339 | 1,281 | 1,121 | 1,539 | 1,681 |
| New business licenses | 231 | 182 | 231 | 279 | 228 |
| Public Works | | | | | |
| Miles resurfaced | N/A | 3.5 | 3.1 | 2.4 | 5.0 |
| Stormwater | | | | | |
| Potential ponds identified | 181 | 188 | 188 | 188 | 188 |
| Total number of pipes | 3,102 | 3,102 | 3,102 | 3,102 | 3,102 |
| Total number of feet of pipes | 434,491 | 434,491 | 434,491 | 434,491 | 434,491 |
| Complaints | 126 | 94 | 89 | 119 | 88 |

SOURCE:

City of Stockbridge, Georgia records

Note: Revenues from fines decreased significantly in 2016 as Henry County diverted citations to the Henry County State Court and due to the change in probation tolling laws. Revenues decreased significantly in 2020 due to facilities being closed due to COVID-19. Additionally, there was a change in the State probation tolling laws.

| Fiscal Year | | | | |
|--------------------------------|--------------------------------|----------------------------|----------------------------|---------------------------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 27,845 300 | \$ 55,425 574 | \$ 25,287 131 | \$ 37,728 381 | \$ 58,522 1,819 |
| \$ 160,280 | \$ 155,582 | \$ 17,038 | \$ 9,660 | \$ 10,170 |
| 1,880 202 | 2,056 128 | 2,354 250 | 2,432 263 | 2,487 485 |
| 5.1 | 4.7 | 5.7 | 4.7 | 5.1 |
| 186 3,102 432,960 111 | 193 3,433 101,385 101 | 193 359 48,959 52 | 37 311 187,672 68 | 52 216 85,743 69 |

CITY OF STOCKBRIDGE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

| Function/Program | Fiscal Year | | | | |
|---------------------------------|-------------|-----------|-----------|-----------|-----------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Public Works | | | | | |
| City limits (square miles) | 14.1 | 14.1 | 14.1 | 14.1 | 14 |
| Paved roads (miles) | 95.62 | 95.62 | 95.62 | 97.08 | 97 |
| Sanitation | | | | | |
| Transfer stations | 1 | 1 | 1 | 1 | 1 |
| Collection trucks | 5 | 5 | 5 | 5 | 1 |
| Small collection vehicles | 14 | 13 | 13 | 9 | 5 |
| Recreation and culture | | | | | |
| Parks | 4 | 4 | 4 | 4 | 4 |
| Community centers | 2 | 2 | 2 | 2 | 2 |
| Library | 1 | 1 | 1 | 1 | 1 |
| Cemeteries | 3 | 3 | 3 | 3 | 3 |
| Water | | | | | |
| Water mains (miles) | 44.5 | 44.5 | 44.5 | 44.5 | 44.5 |
| Fire hydrants | 457 | 457 | 457 | 457 | 458.00 |
| Service connections | 2,391 | 2,391 | 2,749 | 2,764 | 2,726 |
| Daily avg consumption (gallons) | 923,000 | 923,000 | 752,180 | 679,564 | 684,970 |
| Storage capacity (gallons) | 1,900,000 | 1,900,000 | 1,800,000 | 1,800,000 | 1,800,000 |
| Sewer | | | | | |
| Sanitary sewers (miles) | 39.5 | 39.5 | 39.5 | 39.5 | 40.0 |
| Service connections | 2,254 | 2,254 | N/A | 4,858 | 2,431 |
| Treatment plants | 1 | 1 | 1 | 1 | 1 |
| Daily avg treatment (gallons) | .686 MGD | .686 MGD | .823 MGD | .754 MGD | .761 MGD |
| Treatment capacity | 1.5 MGD | 1.5 MGD | 1.5 MGD | 1.5 MGD | 1.5 MGD |

SOURCE:

City of Stockbridge, Georgia records

| Fiscal Year | | | | |
|-------------|-----------|-----------|-----------|-----------|
| 2018 | 2019 | 2020 | 2021 | 2022 |
| 14 | 14.1 | 14.1 | 14.1 | 14.1 |
| 97 | 97.08 | 97.08 | 97.08 | 97.08 |
| 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 |
| 5 | 5 | 5 | 5 | 5 |
| 4 | 4 | 4 | 4 | 4 |
| 2 | 2 | 2 | 2 | 2 |
| 1 | 1 | 1 | 1 | 1 |
| 3 | 3 | 3 | 3 | 3 |
| 44.5 | 45 | 45 | 45 | 45 |
| 459.00 | 460.00 | 460.00 | 460.00 | 460.00 |
| 2,833 | 2,866 | 2,958 | 2,958 | 2,958 |
| 627,728 | 515,828 | 500,000 | 500,000 | 500,000 |
| 1,800,000 | 1,800,000 | 1,800,000 | 1,800,000 | 1,800,000 |
| 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| 2,516 | 2,568 | 2,568 | 2,467 | 2,467 |
| 1 | 1 | 1 | 1 | 1 |
| 761 MGD | 761 MGD | 761 MGD | 761MGD | 714MGD |
| 1.5 MGD | 1.5 MGD | 1.5 MGD | 1.5MGD | 1.5MGD |

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

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

We have audited, 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 ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Stockbridge, Georgia** (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 13, 2023.

Report on Internal Control over Financial Reporting

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

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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2022-002 and 2002-003 to be material weaknesses.

COMPLIANCE SECTION



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

Honorable Mayor and Members
of City Council
City of Stockbridge
Stockbridge, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Stockbridge, Georgia's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Stockbridge, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 to be a significant deficiency.

Report on Compliance and Other Matters

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

The City of Stockbridge's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
November 13, 2023

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
November 13, 2023

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

| <u>Grant Program</u> | <u>Federal Assistance Listing Number</u> | <u>Grant I.D.</u> | <u>Expenditures</u> |
|--|--|-------------------|---------------------|
| U.S. Department of Treasury | | | |
| Direct Award: | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Fund | 21.027 | N/A | \$ 6,800,316 |
| Total U.S. Department of Treasury | | | <u>6,800,316</u> |
| U.S. Department of Housing and Urban Development | | | |
| Pass-through from Henry County, Georgia | | | |
| Community Development Block Grant program | 14.228 | B-13-UC-13-0007 | 305,725 |
| | | | <u>305,725</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 7,106,041</u> |

CITY OF STOCKBRIDGE, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Stockbridge, Georgia (the "City") and is presented on the accrual basis of accounting.

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

NOTE 2. DE MINIMIS COST RATE

The City elected not to use the 10% de minimis cost rate for the year ended December 31, 2022.

NOTE 3. SUBRECIPIENTS

The City did not pass through any funds to subrecipients for the year ended December 31, 2022.

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

☒ Yes ☐ No

Significant deficiencies identified not considered to be material weaknesses?

☒ Yes ☐ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control over major programs:
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies identified?

☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major program:

Assistance Listing Number

21.027

Name of Federal Program or Cluster

COVID-19 – Coronavirus State and Local
Fiscal Recovery Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

2022 – 001. Management of Receivable Accounts

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As a part of these processes, the City should review all revenue transactions to determine reporting in the proper period.

Condition: The City did not properly adjust receivables and related balances in the General Fund and the Water and Sewer Fund as of December 31, 2022.

Effect: The following adjustments were made to adjust receivables and related balances as of December 31, 2022:

- General Fund – An adjustment to increase franchise fees revenues by \$95,072, to increase accounts receivables by \$42,876, and to decrease unavailable revenues by \$52,196.
- Water and Sewer Fund – An adjustment to decrease the allowance for uncollectible accounts and bad debt expense by \$34,615.

Cause: Management oversight.

Recommendation: We recommend that the City strengthen its control over its receivables and related balances to ensure balances are properly stated at year-end.

Views of Responsible Officials and Planned Corrective Action: We concur. We will implement procedures to strengthen controls over the City's receivables and related balances at year-end to ensure balances are properly stated.

2022 – 002. Capitalization of Capital Assets

Criteria: Generally accepted accounting principles require capital assets purchased or acquired be reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Condition: The City excluded capital items from its governmental capital assets detail and its business-type detail for the year ended December 31, 2022.

Effect: For the year ended December 31, 2022, capital assets in the amount of \$954,947 were improperly excluded from the governmental capital asset detail. In addition, Amphitheater construction costs, in the amount of \$1,328,153, Amphitheater machinery and equipment, in the amount of \$67,173, and Amphitheater furniture and fixtures, in the amount of \$204,321 were improperly excluded from the business-type capital asset detail.

CITY OF STOCKBRIDGE, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS (CONTINUED)

2022 – 002. Capitalization of Capital Assets (Continued)

Cause: Internal controls over capital assets were not in place to ensure the proper capitalization of all capital assets.

Recommendation: We recommend that the City strengthen internal controls over the capitalization and reporting of capital assets.

Views of Responsible Officials and Planned Corrective Action: We concur. We will strengthen procedures to ensure capital assets are properly recorded.

2022 – 003. Interfund Activity

Criteria: Generally accepted accounting principles require the reporting of interfund receivables and payables when transactions occur between individual funds for goods provided or services rendered.

Condition: Interfund receivables and payables were not properly stated for the period ended December 31, 2022.

Effect: The following adjustments were made to properly state the interfund receivables and payables:

- Public Facilities Authority – An adjustment to decrease interfund payable and to increase transfers in by \$3,014,466.
- General Fund – An adjustment to decrease interfund receivable and to increase transfers out by \$3,014,566.

Cause: Management oversight.

Recommendation: We recommend that the City strengthen internal controls over interfund activity to ensure interfund receivables and payables are properly stated at year-end.

Views of Responsible Officials and Planned Corrective Action: We concur. Additional controls will be implemented to ensure interfund receivables and payables are properly recorded.

SECTION III
FEDERAL AWARDS FINDINGS

Not applicable.

CITY OF STOCKBRIDGE, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2022

2021 – 001. Management of Receivable Accounts

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As a part of these processes, the City should review all revenue transactions to determine reporting in the proper period.

Condition: The City did not properly adjust receivables and related balances in various funds as of December 31, 2021.

Auditee Response/Status: Unresolved – See Finding 2022 – 001.

2021 – 002. Capitalization of Capital Assets

Criteria: Generally accepted accounting principles require capital assets purchased or acquired be reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Condition: The City recorded a construction in progress invoice as an expense for the year ended December 31, 2021.

Auditee Response/Status: Unresolved – See Finding 2022 – 002.



Where Community Connects

**CITY OF STOCKBRIDGE, GEORGIA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2022**

2022 – 001. Management of Receivable Accounts

Name of Contact Person Responsible for Corrective Action Plan: Lakeisha Gaines, Interim Treasurer

Corrective Action Plan: Finance officials will put procedures in place to review receivable balances at year end.

Anticipated Completion Date: December 31, 2023

2022 – 002. Capitalization of Capital Assets

Name of Contact Person Responsible for Corrective Action Plan: Lakeisha Gaines, Interim Treasurer

Corrective Action Plan: Finance officials will put procedures in place to review all capital assets and ensure they are properly recorded.

Anticipated Completion Date: December 31, 2023

2022 – 003. Interfund Activity

Name of Contact Person Responsible for Corrective Action Plan: Lakeisha Gaines, Interim Treasurer

Corrective Action Plan: Finance officials will put procedures in place to review all interfund activity and ensure they are properly recorded.

Anticipated Completion Date: December 31, 2023



March 3, 2023

Honorable Mayor and Members of the
City Council and City Manager
City of Stockbridge, Georgia
4640 North Henry Boulevard
Stockbridge, Georgia 30281

Attn: John Wiggins, Treasurer

We are pleased to confirm our understanding of the services we are to provide the City of Stockbridge, Georgia (the "City") for the year ended December 31, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements, of the City of Stockbridge, Georgia as of and for the year then ended. These statements will include the budgetary comparison information for the General Fund and any major special revenue funds. Accounting standards generally accepted in the United States of America ("GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America ("GAAS"). These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis ("MD&A");
2. Schedule of Changes in the City's Net Pension Liability and Related Ratios.
3. Schedule of City Contributions – Pension Plan.

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS and will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1. Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
2. Combining and individual fund statements.
3. Schedule of Projects Constructed with Transportation Special Purpose Local Options Sales Tax Proceeds
4. Schedule of Expenditures of Federal Awards

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

1. Introductory section
2. Statistical section

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore; is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on -

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we will exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from: 1) errors, 2) fraudulent financial reporting, 3) misappropriation of assets, or 4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits, nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

According to GAAS, significant risks include the risk of management's override of internal controls. Accordingly, we have considered this item as a significant risk.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Stockbridge, Georgia's compliance with provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Stockbridge's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City of Stockbridge's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements and related notes of the City in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform these services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and

grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and to prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review subsequent to the start of fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19 related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to an exempt offering document with which Mauldin & Jenkins, LLC is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins, LLC is not involved

with the contents of such offering document. In the event that Mauldin & Jenkins, LLC is requested to be involved with an exempt offering document, you agree that the aforementioned auditor's report or reference to Mauldin & Jenkins, LLC will not be included without our prior permission or consent. Furthermore, any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge the City of Stockbridge will not utilize Mauldin & Jenkins, LLC to store documents, data, or records on behalf of the City in accordance with the "Hosting Services" (see ET section 1.295.143) interpretation of the AICPA Code of Professional Conduct. The City is solely responsible for maintaining its own data and records. In that regard, SuraLink is used solely as a method of transferring data to Mauldin & Jenkins, LLC and is not intended for the storage of the City's information. All information you will provide through SuraLink is a copy and you will maintain original documents and data as part of your records.

Engagement Administration, Fees and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

The audit documentation for this engagement is the property of Mauldin & Jenkins, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Georgia Department of Audits and Accounts or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware that a

federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately April 3, 2023 and to issue our reports no later than June 30, 2023. Hope Pendergrass is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be based on actual time spent at our quoted hourly rates, plus travel and other out of pocket costs (such as report production, typing, postage, etc.) Our hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third-party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

Reporting

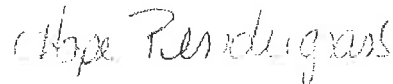
We will issue written reports upon completion of our audit of the City of Stockbridge, Georgia's financial statements. Our report will be addressed to the Members of the City Council for the City of Stockbridge, Georgia. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of 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, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the City of Stockbridge, Georgia and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Sincerely,

MAULDIN & JENKINS, LLC



Hope Pendergrass

RESPONSE:

This letter correctly sets forth the understanding of the City of Stockbridge, Georgia.

By:  _____

Title: City Manager _____



City of Stockbridge, GA

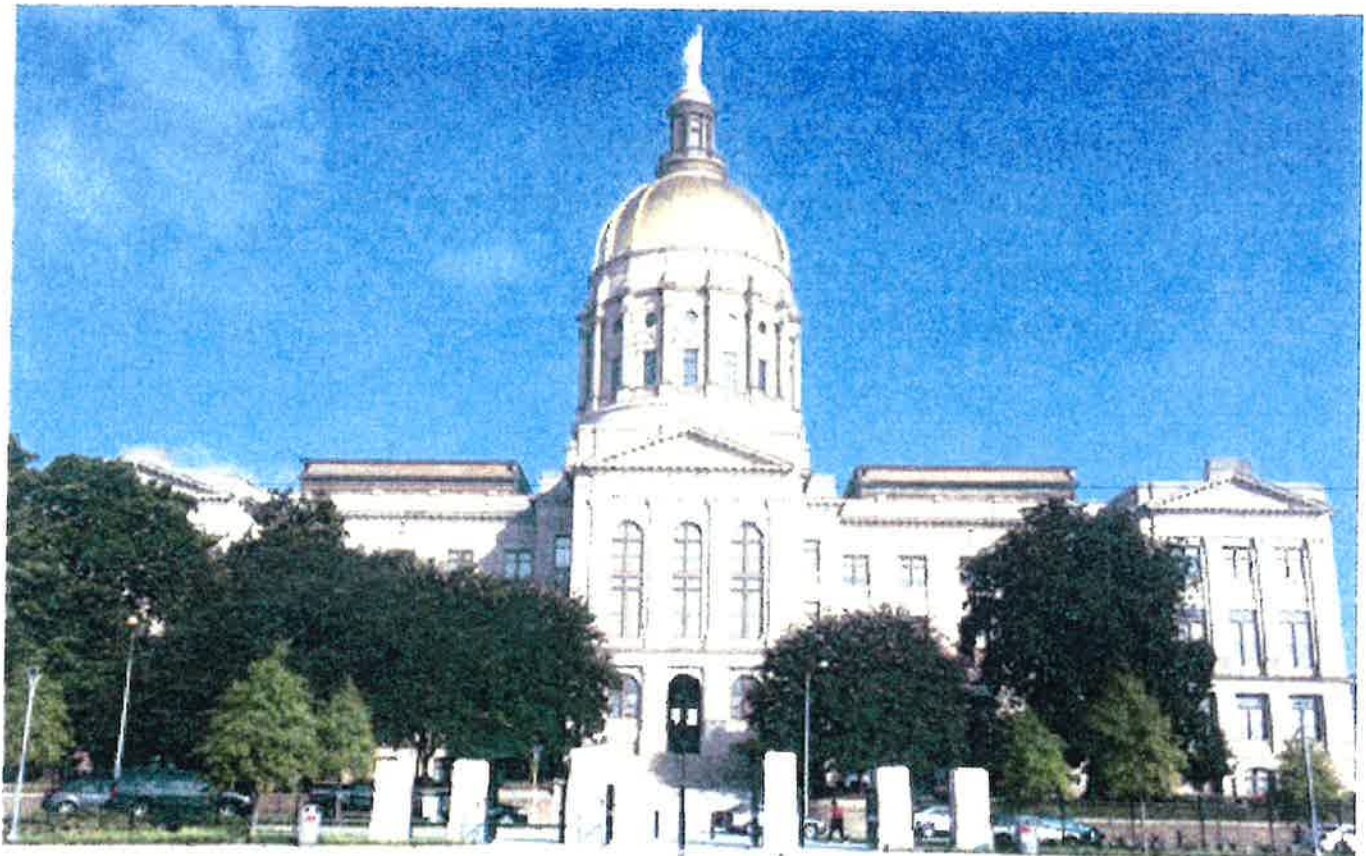
Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

December 31, 2022

**Presented by:
Hope Pendergrass, CPA
(800) 277-0050**

mjcpa.com



City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

PURPOSE OF ANNUAL AUDITOR'S DISCUSSION & ANALYSIS

- ◆ Engagement Team and Firm Information:
 - The Governmental Practice
 - Additional Information Regarding Other Industries & Services

- ◆ Overview of:
 - Independent Auditor's Report
 - Review of the Annual Comprehensive Financial Report
 - Overview of the Financial Statements, Footnotes, and Supplementary Information
 - Compliance Reports (Internal Controls and Laws & Regulations)
 - Audit Scopes and Procedures

- ◆ Required Communications under Government Auditing Standards

- ◆ Accounting Recommendations and Related Matters:
 - Recommendations for Improvement
 - Material Weaknesses and/or Significant Deficiencies
 - Management Points
 - Other Matters for Communication

- ◆ Free Continuing Education and Newsletters

- ◆ Closing Thoughts

- ◆ Answering Your Questions

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

INSIDE
100
FIRMS

CONSISTENTLY RANKED AS A TOP
ACCOUNTING FIRM IN THE U.S.

100+ year

OF QUALITY SERVICE

Serve 650+
GOVERNMENT CLIENTS

GOVERNMENTAL
PARTNERS

16

accountingtoday

2023
Top 100
Firms



140+

TEAM MEMBERS DEDICATED
TO SERVING THE
GOVERNMENTAL INDUSTRY



225+

SINGLE AUDITS PERFORMED LAST
YEAR COVERING OVER \$4 BILLION
OF FEDERAL GRANTS



135,000+

HOURS ANNUALLY
PROVIDED TO
GOVERNMENTAL CLIENTS

150+

CURRENT CLIENTS AWARDED
THE GFOA CERTIFICATE OF
EXCELLENCE

5

STATES

13

OFFICES



Engagement Team Leaders Include:

- Hope Pendergrass – Engagement Lead Partner – 20 years' experience
- Daniel Anderson – Quality Assurance Partner – 15 years' experience
- Demetria Fluellyn – Senior Manager – 11 years' experience

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries & Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years, our partners have developed expertise in certain industries representative of a cross section of the Georgia economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings and loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction & Development
- Individuals, Estates and Trusts
- Real Estate Management

Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and not-so-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits and Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business and Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements and Business Valuation Issues
- Income Tax Planning and Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession and Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition and Expansion Financing

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management.

Auditor's Responsibility

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

Opinions

We have issued an unmodified audit report (i.e., "clean opinions"). The respective financial statements are considered to present fairly the financial position and results of operations as of and for the year ended.

Other Matters

Certain required supplementary information and other information is included in the financial report and, as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

REVIEW OF ANNUAL COMPREHENSIVE FINANCIAL REPORT ("ACFR")

General Information About the ACFR

The Annual Comprehensive Financial Report ("ACFR") goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. The ACFR includes, at a minimum, the following elements/sections:

- **Introductory Section:** general information on the City's structure and the services it provides.
 - Letter of Transmittal
 - Organizational Chart
 - Directory of Officials
 - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** basic financial statements, footnotes and required supplementary information along with the auditor's report.
 - Independent Auditor's Report
 - Management's Discussion & Analysis ("MD&A")
 - Financial Statements and Footnotes
- **Statistical Section:** broad range of financial, demographic information useful in assessing the City's economic condition, and this information covers multiple years.
 - Financial Trends Information
 - Revenue Capacity Information
 - Debt Capacity Information
 - Operating Information

The ACFR goes far beyond the basic requirements of annual financial reporting, and the City should be commended for going beyond the minimum and providing such a report.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

Recognition and Awards

Once completed, the fiscal year 2021 ACFR was submitted to the Government Finance Officers Association ("GFOA") for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We are happy to inform everyone that the GFOA did indeed review the ACFR and awarded the City with the sought after Certificate.

The GFOA Certificate has been made a part of the City's 2022 fiscal year ACFR, and is included in the Introductory Section.



City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

OVERVIEW OF FINANCIAL STATEMENTS

The City's basic financial statements include three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements; and
- 3) Notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the City's funds. The *Statement of Net Position* presents information on all assets (and deferred outflows) and liabilities (and deferred inflows) of the City, with the resulting difference reported as net position. The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34. All of the funds of the City can be divided into three (3) categories: governmental funds (includes the General Fund), business-type funds, and fiduciary funds.

The City also includes, as part of the Annual Comprehensive Financial Report, the following information:

- 1) Special Purpose Local Option Sales Tax ("SPLOST") Schedules
- 2) Schedule of Expenditures of Federal Awards

Government-Wide (Full-Accrual) Financial Statements

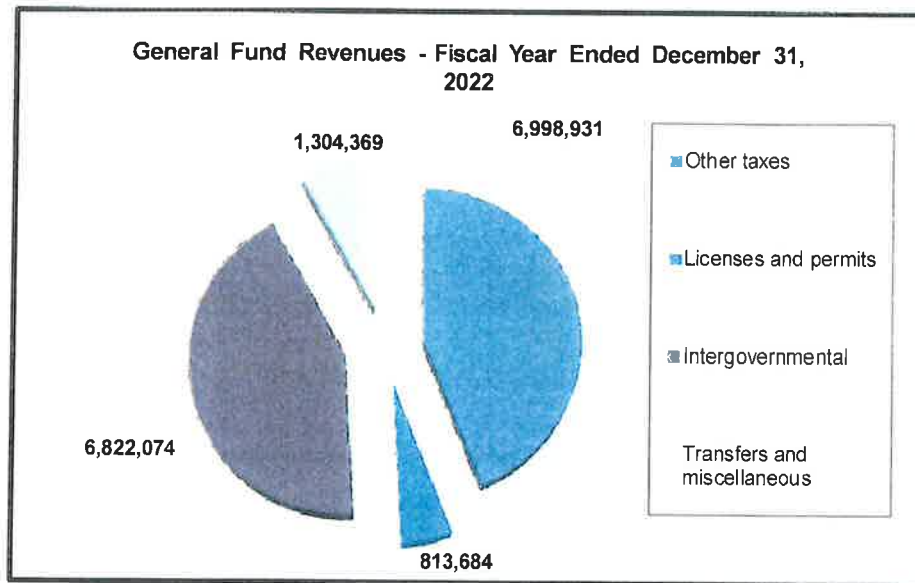
As noted above, the financial report of the City includes two (2) entity-wide financial statements: a *Statement of Net Position*; and a *Statement of Activities*. Highlights of the government-wide statements note total assets and deferred outflows of resources of approximately \$161,220,000 offset by liabilities and deferred inflows of resources of approximately \$45,732,000. This results in the City's reported net position (or equity) of approximately \$115,488,000. Also, a substantial element of the net position is composed of a net investment in capital assets in the approximate amount of \$80,265,000. Restricted net position amounts to approximately \$25,321,000 leaving unrestricted net position at \$9,902,000. The *Statement of Activities* attempts to report expenses in the first column with direct offsetting program revenues to the adjacent columns to arrive at a net cost of the functional areas of operation. General revenues (primarily taxes) come to the rescue of the net cost functional areas resulting in the City reporting a change in net position of approximately \$13,472,000 for the fiscal year ended December 31, 2022.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

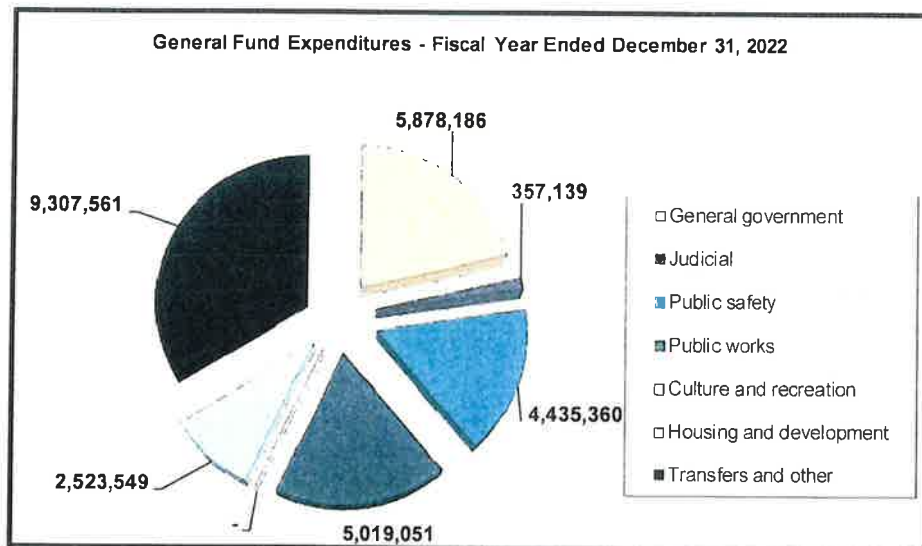
General Fund

Of primary interest to the City is the **General Fund**, which accounts for the majority of revenues received and funds expended in the operations of the City, including general government activities, courts, public safety, housing and development, and public works.

General Fund Revenues: The following chart depicts the primary revenue sources of the General Fund for the 2022 fiscal year. Taxes represent a key component of revenue.

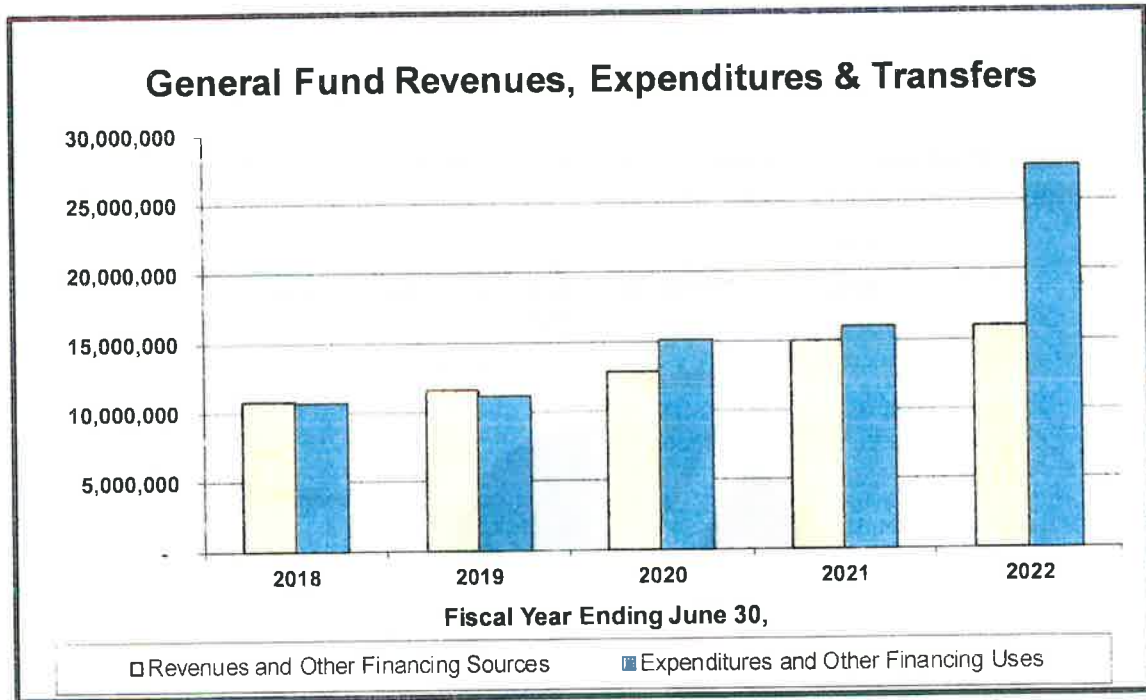


General Fund Expenditures: The following chart presents the General Fund's expenditures by major function for the fiscal year ended December 31, 2022.

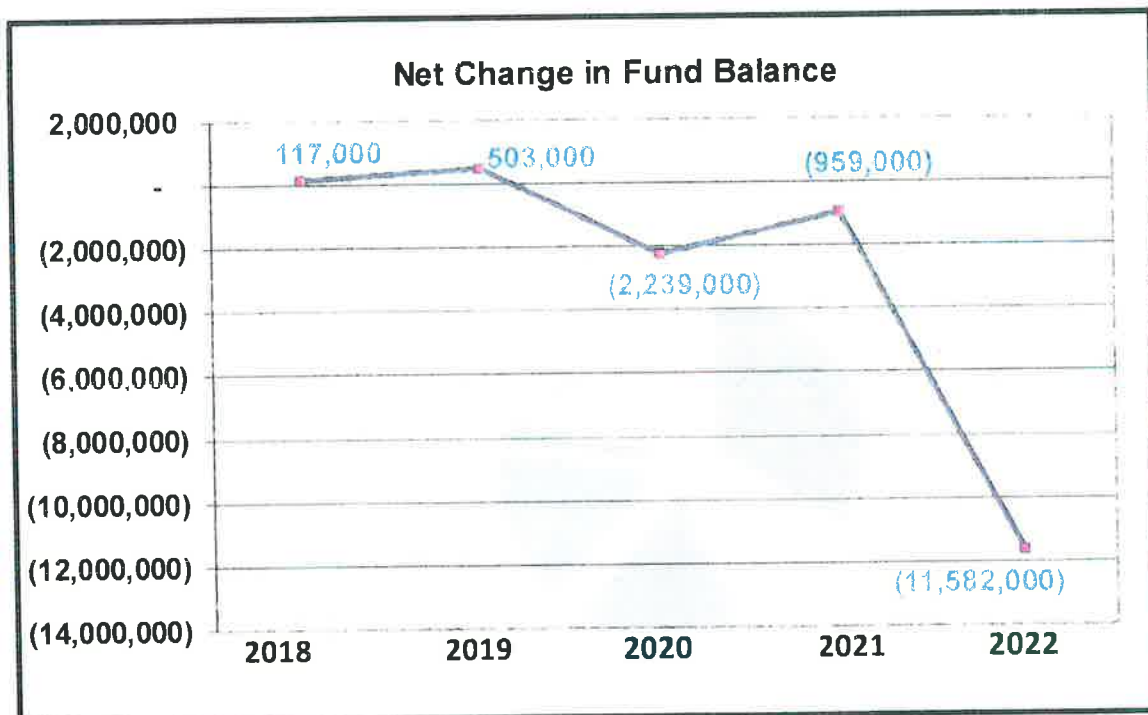


City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

The following chart demonstrates General Fund revenues versus expenditures for a five (5) year period.

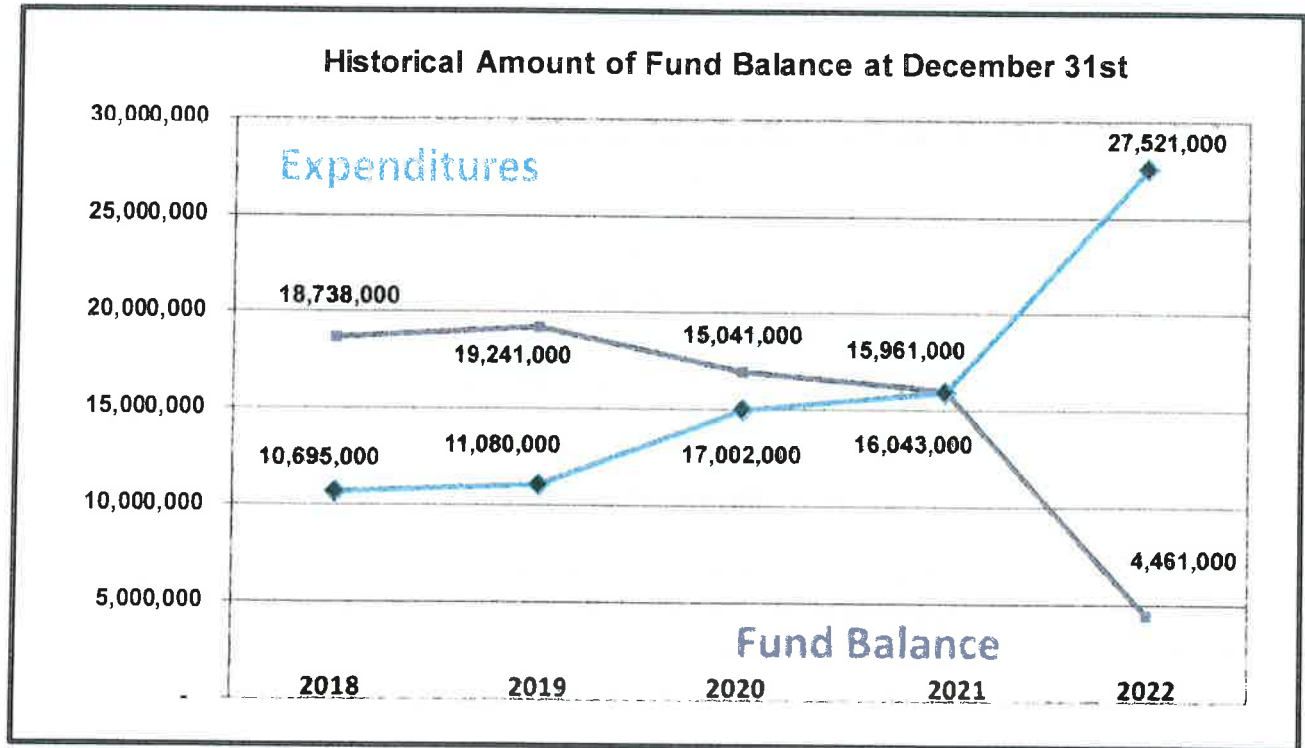


The following chart presents the annual net change in fund balance of the General Fund for the past five (5) fiscal years.



City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

The following graph reflects the overall financial strength of the City's General Fund as of each fiscal year ended December 31st for a five (5) year period. The wider the gap between expenditures and the fund balance, the less leverage the City has each year as it enters a new fiscal year.



As of December 31, 2022, the City reflected a fund balance that is available to cover approximately 59 days. In observation of the above chart, the relationship of year-end fund balance as compared to each year's expenditures should be further considered. The following is the relative percentage of fund balance as compared to annual expenditures for each of the past six (6) fiscal years:

- 2017 = 245%
- 2018 = 175%
- 2019 = 174%
- 2020 = 88%
- 2021 = 99%
- 2022 = 16%

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

The percentages noted above are indicative of the City's ability to be proactive with its initiatives and general operations, and also its ability to proceed into the new fiscal year with or without certain seasonal revenue streams. Of course, it is of great importance to further reflect that fund balance does not always equate to cash and investments. Fund balance is simply the difference in all assets (and deferred outflows) and all liabilities (and deferred inflows). Cash and investments are simply a component of this equation.

Other Governmental Funds

The City also maintains three (3) *special revenue funds*. These funds account for revenues derived from specific sources which are legally restricted to finance particular functions or activities. *Capital projects funds* are used to account for revenues and expenditures related to the renovation and/or construction of major capital assets. Ten (10) capital projects funds are maintained by the City. The City also maintains a *permanent fund*. This fund accounts for earmarked funds and the original corpus which are restricted by an outside party for a specific purpose.

Business-Type Funds

The City maintains four (4) *enterprise funds*, which are used to account for operations in a manner similar to private business enterprises. The enterprise funds maintained are the Water and Sewer Fund, the Solid Waste Fund, the Stormwater Fund, the Merle Manders Conference Center, and the Amphitheater Fund.

Assets and Deferred Outflows of Resources: The City's assets and deferred outflows of resources recognized an increase during the year ended December 31, 2022. Assets and deferred outflows increased approximately \$25,744,000, or 83.4%, from \$30,888,000 to \$56,632,000. This increase can be attributed to the increase in capital assets.

Liabilities and Deferred Inflows of Resources: The City's liabilities and deferred inflows of resources increased during the year ended December 31, 2022. Total liabilities and deferred inflows went from approximately \$4,177,000 to \$4,361,000. The increase is due to an increase in the net pension liability.

Net Position: The City's equity position increased from approximately \$26,711,000 to \$52,271,000. This decrease is reconciled on the City's "Statement of Revenues, Expenses and Changes in Net Position". It should be noted that a very large portion of the City's net position is capital assets net of related debt. While the City is reflecting approximately \$52,271,000 in net position (or equity), only \$5,299,000 is unrestricted and considered available for operations. In the end, the Statement of Net Position reflects the fact that the City has invested heavily in itself over the history of the organization.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

Revenues & Expenses: Total operating revenues of the City increased from approximately \$6,951,000 to \$7,299,000. This represents growth of 5.0% versus prior year's growth of 4.2%. Total operating expenses of the City increased from approximately \$6,742,000 to \$10,638,000. This represents an increase of 57.8% versus prior year's decrease of 6.0%. The effect of the increased revenues and increased expenses resulted in an increase in operating loss of approximately \$3,549,000 and ending at approximately \$(3,340,000) (versus operating income in the prior year of \$209,000).

Non-operating income (expense) reflects a significant increase over the prior year due to the transfer of capital assets from governmental activities. During the current year, the City received capital contributions of approximately \$24,555,000, which heavily contributed to the net non-operating income (including capital contributions and transfers) of approximately \$28,899,000 in the current year versus net non-operating loss of approximately \$2,389,000 in the prior year.

Cash Flows: The statement of cash flows is a very important statement for any enterprise, and the City is no different.

The "cash flows from operating activities" is the most important element in the statement of cash flows because it should be the operations of an entity that provides a substantial portion of the capital needed in a growth environment. This section of the statement begins with operating income (not net income as you see in the commercial sector) as reported in the statement of operations.

The City had a reduction in cash flows from operations. Such operating net cash outflows amounted to approximately \$1,750,000 for the year ended December 31, 2022. The City had approximately \$1,048,000 in operating cash flows for the year ended December 31, 2021. Additionally, this section of the statement recognizes the fact that depreciation expense of approximately \$1,620,000 is a non-cash flow item.

Further, the operating cash flows were used to fund certain significant capital and related financing activities:

- The City purchased capital assets in the amount of approximately \$2,481,000.
- The City had net transfers in from governmental funds of approximately \$4,436,000.
- The City paid principal on notes in the amount of approximately \$96,300 and paid interest on notes payable in the amount of approximately \$31,000.

In conclusion, the City reflects an increase in cash and cash equivalents in the approximate amount of \$78,000 to a balance of approximately \$7,095,000 at December 31, 2022.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

Footnotes

Note 1 – Accounting Policies: This footnote discusses the overall organization of the City, the nature of its operations, and the fact that it was created by the State of Georgia in 1920. This note also discloses pertinent information regarding the governing body of the City.

This footnote continues by sharing with a reader of the financial statements the significant accounting policies and principles utilized in the preparation of the financial statements.

Note 2 – Reconciliation of Government-wide Financial Statements and Fund Financial Statements: This footnote provides additional detailed information that is not already shown within the financial statements themselves, on the differences between the City's fund level financial statements and its government-wide financial statements.

Note 3 – Cash and Investments: The Governmental Accounting Standards Board ("GASB") issued Statement No. 40, *Deposit and Investment Risk Disclosure*, an amendment of GASB Statement No. 3, which significantly changed the disclosure in the financial statements of the City related to deposits and investments. The disclosure addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Note 4 – Property Taxes: This footnote discloses information on property taxes and the relationship with Henry County for billing and collecting property taxes. It also discloses that there were no property taxes levied for the year ended December 31, 2022.

Note 5 – Receivables: This footnote discloses detailed information on various receivable (and allowance for doubtful receivables) balances.

Note 6 – Capital Assets: This footnote discloses the City's capital asset activity and its related accumulated depreciation for the year.

Note 7 & 8 – Leased Assets and Long-Term Debt: This footnote discloses the City's leased assets and long-term debt activity for the year, and other information and maturities for the revenue bonds and installment notes.

Note 9 – Interfund Transfers: This footnote discloses detailed information on the City's interfund transfers and the purpose of these transactions.

Note 10 – Joint Venture: This footnote discloses the City's relationship with the Atlanta Regional Commission.

City of Stockbridge, Georgia
Auditor's Discussion & Analysis (AD&A)
December 31, 2022

Note 11 – Defined Benefit Pension Plan: This footnote discloses the details of the City's Pension Plan.

Note 12 – Risk Management: This footnote discloses the City's various risks of loss.

Note 13 – Commitments and Contingencies: This footnote discloses the outstanding commitments and contingencies of the City. Certain matters disclosed in this footnote include grants and the intergovernmental agreements with Henry County.

Note 14 – Hotel/Motel Lodging Tax: This footnote discloses the City's tax rate for hotel/motel taxes, along with the amounts and nature of these revenues and expenditures.

Note 15 – Lease Agreements: This footnote discloses information on the City's intergovernmental agreement with the Lamar County Regional Solid Waste Management Authority to lease the City's solid waste transfer station.

COMPLIANCE REPORTS

The financial report package contains two (2) compliance reports.

Yellow Book Report: This compliance report is a report on our tests of the City's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the City's 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. In accordance with the respective standards, the report is not intended to provide an opinion, but to provide a form of negative assurance as to the City's internal controls and compliance with applicable rules and regulations.

Single Audit Report: The second compliance report is a report on our tests of the City's internal controls and compliance with laws, regulations, etc., relative to certain Federal grant programs and the respective expenditures. Our tests were performed on the City's major programs (as defined by the relevant Federal guidelines), and were not applied to each and every Federal grant expended by the City. In accordance with the respective standards, we did provide an unmodified (or positive) opinion on the City's compliance based on our audit. However, we were not required to provide an opinion on the relevant internal controls, but to provide a form of negative assurance on such controls.

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AUDIT SCOPES AND PROCEDURES

1. Governmental audit programs were used in all areas.
2. We observed and made independent test counts of Water & Sewer Fund inventory. Our test counts consisted of approximately 20 different inventory items. There were no material differences noted between our test counts and those of the City's. We also performed certain price tests to determine the propriety of valuation of inventory.
3. We confirmed accounts receivable. Due to the timing of the audit as compared to the fiscal year-end, a poor response rate was noted. Therefore, we performed alternate procedures to verify existence of the amounts.
4. For purposes of assessing the adequacy of the allowance for doubtful accounts, we reviewed the aging of accounts receivable, and considered the current economic environment coupled with the recent history of the City. We also reviewed subsequent collection activity.
5. We evaluated the assumptions used by actuaries relative to the City's benefit plan, and tested the respective valuations associated with this plan.
6. We reviewed supporting documentation for a sample of additions to capital assets during the year ended December 31, 2022.
7. We performed a search for unrecorded liabilities via review of unpaid vouchers and subsequent disbursements.

REQUIRED COMMUNICATIONS

**The Auditor's Responsibility Under Government Auditing Standards
and Auditing Standards Generally Accepted in the United States of America**

Our audit of the financial statements of the City of Stockbridge, Georgia (the "City") for the year ended December 31, 2022 was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

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In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the City's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. There are several new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the City's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The City's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon Management's current judgment. The process used by Management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of Management's calculations in evaluating the City's significant accounting policies. Estimates significant to the financial statements include such items as: the estimated lives of depreciable assets; actuarial assumptions and concepts relative to the benefit plans; deferred revenues; valuation of financial and non-financial instruments; the estimated incurred-but-not-reported liabilities; conservation commitments; extraordinary items; and the estimated allowance for uncollectible accounts.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by Management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency, and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

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Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

We encountered no disagreements with Management over the application of significant accounting principles, the basis for Management's judgments on significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without a problem.

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with Management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations Management had with us or other accountants about accounting or auditing matters. No major issues were discussed with Management prior to our retention to perform the aforementioned audit.

Audit Adjustments

During our audit of the City's basic financial statements as of and for the year ended December 31, 2022, there were several adjustments proposed to the funds of the City. The detail of all proposed adjustments for each fund have been provided to and discussed with management.

Uncorrected Misstatements

We had no passed adjustments.

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Independence

We are independent of the City, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the City.

Required Supplementary Information

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Changes in the City's Net Pension Liability and Related Ratios, and Schedule of the City's Pension Contributions, which are Required Supplementary Information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information

We were engaged to report on the Combining and Individual Nonmajor Fund Statements and Schedules, the Schedules of Special Purpose Local Option Sales Tax, the Schedule of Transportation Special Purpose Local Option Sales Tax, and the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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ACCOUNTING RECOMMENDATIONS AND RELATED MATTERS

Recommendations for Improvement and Other Matters

During our audit of the financial statements as of and for the year ended June 30, 2022, we noted some areas within the accounting and internal control systems that we believe can be improved. We have reported several findings. Additionally, we noted certain items management should consider as part of its decision making process. Further, we noted other matters which we wish to communicate to you in an effort to keep the City abreast of accounting matters that could present challenges in financial reporting in future periods. Our recommendations and proactive thoughts and communications are presented in the following paragraphs.

Items Cited in the City's Financial Statements as Material Weaknesses and Significant Deficiencies

1) Management of Accounts Receivable Accounts

Generally accepted accounting principles for governmental funds require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As a part of these processes, the City should review all revenue transactions to determine reporting in the proper period. The City did not properly adjust receivables and related balances in the General Fund and the Water and Sewer Fund as of December 31, 2022. We discussed the matter with management who provided appropriate adjustments to correct related balances as of December 31, 2022. We recommend that the City strengthen its control over its receivables and related balances to ensure balances are properly stated at year-end.

2) Capitalization of Capital Assets

Generally accepted accounting principles require expenditures for capital projects be reported at historical cost or estimated historical cost. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The City excluded capital assets from both its governmental and business-type activity detail for the year ended December 31, 2022. We recommend that the City strengthen its controls over monthly and annual close-out procedures related to ensure amounts are properly capitalized.

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3) Interfund Activity

Generally accepted accounting principles require the reporting of interfund receivables and payables when transactions occur between individual funds for goods provided or services rendered. Interfund receivables and payables were not properly stated for the period ended December 31, 2022. We recommend that the City strengthen internal controls over interfund activity to ensure interfund receivables and payables are properly stated at year-end.

Recommendations for Improvement (Management Points)

4) Old Outstanding Checks

During our testing of cash, we noted outstanding checks from an old, closed bank account dating back to 2013 through 2015. We recommend these checks be investigated, voided, and either reissued or escheated to the State of Georgia Department of Revenue as unclaimed property.

5) Pooled Cash

During our review of the trial balances, we noted there was deficit cash reported in the Conference Center Fund and the City-wide Capital Projects Fund. Transfers were needed to clear the pooled cash deficits in each of these funds. We recommend a review of the trial balances at year end be done to ensure all pooled cash balances are properly stated.

Other Matters for Communication to the Board and Management

1) New Governmental Accounting Standards Board ("GASB") Standards



As has been the case for the past 10 years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 91, *Conduit Debt Obligations*** was issued in May 2019 and is effective for the first reporting period beginning after December 15, 2020, meaning for those with year ends of December 31, 2021 and beyond. However, in light of the COVID-19 Pandemic, in May 2020 the GASB issued Statement No. 95 (*Postponement of the Effective Dates of Certain Authoritative Guidance*) which changed the effective date of Statement No. 91 to reporting periods beginning after December 15, 2021.

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The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument meeting all of the following characteristics:

- There are at least three parties involved: 1) an issuer, 2) a third-party obligor, and 3) a debt holder (or a debt trustee);
- The issuer and the third-party obligor are not within the same financial reporting entity;
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer;
- The third-party obligor (or its agent), not the issuer, ultimately receives the proceeds from the debt issuance;
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third-party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate, at least annually, whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are

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intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third-party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer should recognize the entire capital asset and a deferred inflow of resources at the inception of the arrangement. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

- b) Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*** was issued in March 2020 and is effective for fiscal years beginning after June 15, 2022 which means year ends of June 30, 2023 and following.

This statement was issued by the GASB to address a gap in generally accepted accounting principles: how do we account for these type arrangements that do not meet the definition of a service concession arrangement ("SCA") covered by GASB Statement No. 60?

Statement No. 94 requires that Public-Private Partnerships and Public-Public Partnerships ("PPPs") that meet the definition of a lease apply the guidance in Statement No. 87, *Leases* if: (a) existing assets of the transferor are the only underlying PPP assets, (b) improvements are not required to be made by the operator to those existing assets as part of the PPP arrangement, and (c) the PPP does not meet the definition of an SCA. All other PPPs that will not apply the guidance in Statement No. 87 will generally use the accounting guidance contained in Statement No. 60 which was superseded by this new standard.

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Statement No. 94 also establishes accounting and financial reporting requirements for availability payment arrangements ("APAs"). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying non-financial asset for a period of time in an exchange or exchange-like transaction. An APA that is related to designing, constructing, and financing a non-financial asset in which ownership of the asset transfers by the end of the contract should be accounted for by the government as a financed purchase of the underlying asset.

- c) **Statement No. 96, *Subscription-Based Information Technology Arrangements*** was issued in May 2020 and is effective for fiscal years beginning after June 15, 2022 which means year ends of June 30, 2023 and following.

This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users (governments). This statement: 1) defines an SBITA; 2) establishes that an SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of an SBITA; and 4) requires note disclosures regarding an SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

An SBITA is defined as a contract that conveys control of the right to use another party's (an SBITA vendor's) information technology ("IT") software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a non-cancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A

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government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of: 1) the initial subscription liability amount, 2) payments made to the SBITA vendor before commencement of the subscription term, and 3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with an SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting an SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government's ongoing operations related to an SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

d) **Statement No. 99, *Omnibus 2022*** was issued in April 2022 and contains multiple different effective dates for the guidance based on the differing topics. The practice issues addressed by this statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.

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- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to the determination of the public-private and public-public partnership (PPP) term and recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement ("SBITA") term, classification of an SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate ("LIBOR") is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program ("SNAP").
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements of Statement 99 are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

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- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
 - The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.
- e) **Statement No. 100, *Accounting Changes and Error Corrections*** was issued in June 2022 and is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for: 1) certain changes in accounting principles, and 2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements.

This statement prescribes the accounting and financial reporting for: 1) each type of accounting change, and 2) error corrections. This statement requires that: (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

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This statement requires disclosure in the notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information ("RSI") and supplementary information ("SI"). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

- f) **Statement No. 101, *Compensated Absences*** was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

This statement requires that liabilities for compensated absences be recognized for: 1) leave that has not been used, and 2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit post-employment benefits should not be included in a liability for compensated absences.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

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This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

g) Other Pending or Current GASB Projects. As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:

- **Re-Examination of the Financial Reporting Model.** GASB has added this project to its technical agenda to make improvements to the existing financial reporting model (established via GASB 34). Improvements are meant to enhance the effectiveness of the model in providing information for decision-making and assessing a government's accountability. GASB anticipates issuance of a final standard in late 2023 or early 2024.
- **Revenue and Expense Recognition** is another long-term project where the GASB is working to develop a comprehensive application model for recognition of revenues and expenses from non-exchange, exchange, and exchange-like transactions. The final standard is expected in mid-2027.
- **Going Concern Uncertainties and Severe Financial Stress** is a major project where the goal is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider: 1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, 2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and 3) what information about a government's exposure to severe financial stress is necessary to disclose. This technical topic is being examined by the GASB due to a wide diversity in practice regarding required presentation on the face of the financial statements, disclosures, etc. An exposure draft on this topic is expected by mid-2025.

Summations of Thoughts Noted Above

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures.

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FREE QUARTERLY CONTINUING EDUCATION
AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

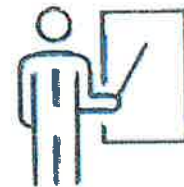
Free Continuing Education. We provide free quarterly continuing education for all of our governmental clients. Each quarter, we pick a couple of significant topics tailored to be of interest to governmental entities, and offer the sessions several times per quarter at a variety of client provided locations resulting in greater networking among our governmental clients. We normally see approximately 100 people per quarter. We obtain the input and services of experienced outside speakers along with our in-house professionals.

"I've been a CPA for 32 years. Today's CPE class by Mauldin & Jenkins has been the best of my career". Terry Nall, CPA, City of Dunwoody (GA) Council Member

"They are always on top of new accounting pronouncements and provide training well before implementation deadlines. This is a very valuable resource for our organization". Laurie Puckett, CPA, CPFO, Gwinnett County (GA), Accounting Director

Examples of subjects addressed in past quarters include:

- Accounting for Debt Issuances
- Achieving Excellence in Financial Reporting
- Best Budgeting Practices, Policies and Processes
- Best Practices in Banking
- Budget Preparation
- ACFR Preparation (several times including a two (2) day hands-on course)
- Capital Asset Accounting Processes and Controls
- Closing Out and Audit Preparation
- Collateralization of Deposits and Investments
- Component Units
- Cybersecurity Risk Management
- Evaluating Financial and Non-Financial Health of a Local Government
- Financial Report Card – Where Does Your Government Stand?
- Financial Reporting Model Improvements
- GASB No. 74 & 75, New OPEB Standards
- GASB No. 77, Tax Abatement Disclosures
- GASB No. 84, Fiduciary Activities
- GASB No. 87, Leases
- GASB Projects & Updates (ongoing and several sessions)



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- Grants (Accounting and Auditing)
- Human Capital Management
- Information Technology (IT) Risk Management
- Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables & the Revenue Cycle
- Internal Revenue Service (IRS) Compliance Issues, Primarily Payroll Matters
- Legal Considerations for Debt Issuances & Disclosure Requirements
- Policies and Procedures Manuals
- Presenting Financial Information to Non-Financial People
- Procurement Card Red Flags
- Risk, Efficiency, & Effectiveness in Governments
- Segregation of Duties
- Single Audits for Auditees
- SPLOST Accounting, Reporting & Compliance
- Uniform Grant Guidance

Governmental Newsletters. We periodically produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are intended to keep you informed of current developments in the government finance environment.

In the past several years, the following topics have been addressed in our monthly newsletters:

- Are Your Government's Funds Secure?
- COVID-19 Updates (several)
- Cybersecurity Awareness
- Deposit Collateralization
- Employee vs Independent Contractor
- Escheat Laws on Unclaimed Property
- Federal Funding and Accountability Transparency Act
- Forensic Audit or Financial Audit?
 - Form PT 440
 - GASB Invitation to Comment – the New Financial Reporting Model
 - GASB No. 72, Fair Value, It is Not Totally About Disclosure
 - GASB No.'s 74 & 75, Other Post-Employment Benefits (OPEB)
 - GASB No. 77, Abatements – Go Viral with GASB 77
 - GASB No. 84 Fiduciary Activities (Series)
- GASB No. 87, Leases
- GASB No. 89, Accounting for Interest Cost Incurred Before the End of Construction



City of Stockbridge, Georgia
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- GASB No. 91, Conduit Debt Obligations
- GASB No. 93, Replacement of Interbank Offered Rates
- General Data Protection Regulation (GDPR)
- Grants Management
- OMB Compliance Supplements
- OPEB, What You Need to Know
- Public Funds and Secure Deposit Program
- Rotating or Not Rotating Auditors
- Property Tax Assessments
- Remote Auditing Best Practices
- Refunding Debt
- Sales & Use Taxes on Retail Sales of Jet Fuel
- Sales Tax Collections and Remittances by the State
- SAS Clarity Standards and Group Audits
- Single Audit, including Uniform Guidance (several)
- Social Security Administration (SSA) Incentive Payments
- Special Purpose Local Option Sales Taxes (SPLOST) Expenditures
- Subrecipient Risk Assessment Tool
- Supplemental Social Security for Inmates
- The New Tax Cuts and Jobs Act – Impact on Bond Refunding
- The Return of the Component Unit – GASB 61
- Uniform Guidance & New Procurement Requirements
- What's Happening with Property Tax Assessments

You are the best auditors I have ever worked with over my career. It is a big difference having a group that is dedicated to governmental accounting.

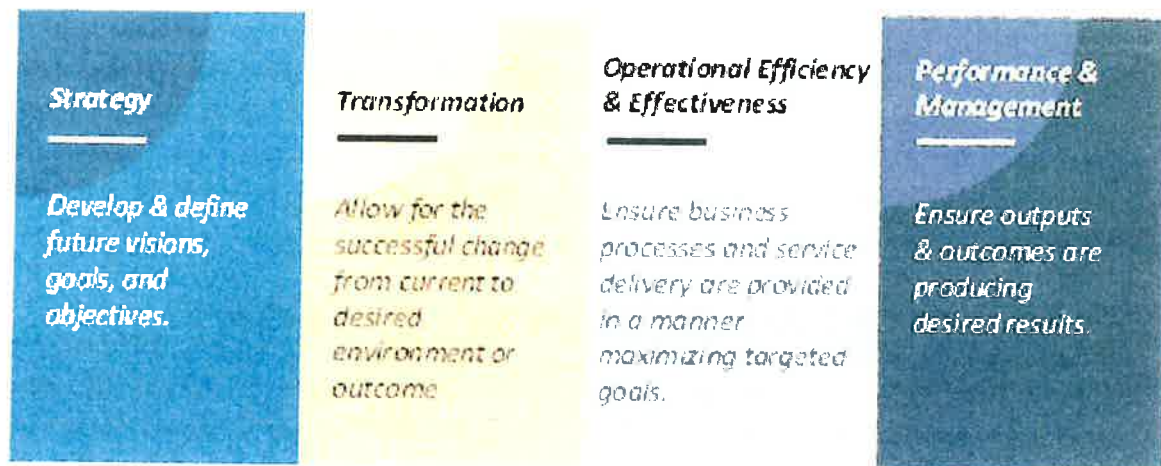
Wesley Rapp,
Charleston Water System,
Chief Financial Officer

Communication. In an effort to better communicate our free continuing education plans and newsletters, please email Paige Vercoe at pvercoe@micpa.com (send corresponding copy to hpendergross@micpa.com), and provide individual names, mailing addresses, email addresses and phone numbers of anyone you wish to participate and be included in our database.

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Governmental Advisory Services

Beyond traditional audit and accounting services and IT services, we provide advisory services that are wide-ranging in nature. Our experienced government advisory team helps governments, governmental agencies and special purpose governmental organizations balance fiscal responsibility with the latest business strategies to achieve targeted and overarching objectives. Our advisory services can be summarized via the following bubbles.



David Roberts
Partner, Governmental Advisory Services

David Roberts has more than 22 years of experience as a consultant and trusted advisor providing operational/organizational assessments and similar transformational projects for federal, state, and local governments across the country. David's experience includes leading numerous enterprise-wide/departmental/functional assessments and transformations over his career measuring the efficiency and effectiveness of organizational structures and culture, performance management, technology systems and strategies, staffing models, service delivery models, and customer satisfaction.



David helps his clients turn visions and goals into reality. He has helped multiple clients win national government industry awards for innovation, transformation, and cost savings.

City of Stockbridge, Georgia
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David leads our Governmental Advisory practice, where he focuses on helping governments and individual agencies fulfill and exceed their financial, operational, and regulatory obligations to the public.

David has completed hundreds of projects over his career. Below are representative sample management consulting projects demonstrating David's depth and breadth completed within the past 12 months:

Operational and Performance Assessment – Walton County, Georgia

David led a multi-department Operational and Performance Assessment for Walton County. The scope included assessing organizational structure, operational efficiency, staffing levels and resource utilization, comparison to leading practices, and observations and recommendations to assist the County in achieving the desired future state. The final report included numerous observations with associated recommendations and a detailed Roadmap/Implementation Plan.

Outsourcing Feasibility Study – City of Rocky Mount, North Carolina

David led a feasibility study for the City of Rocky Mount to assess its current service delivery model for providing parks maintenance and landscaping services. City operations used of a hybrid model of both internal resources and third-party contractors to provide parks maintenance and landscaping. The project evaluated the pros and cons (both financial and non-financial) of: 1) maintaining the hybrid model, 2) performing all services in-house, and 3) performing all services externally.

Finance Functional Assessment – Richland County Library, South Carolina

David led a functional assessment of the Library's finance department. The project consisted of understanding the current state – current service provision, performance, workflow, business processes, internal controls, organizational structure, reporting, and communications. The current state was compared to leading practices and gaps were identified. An implementation roadmap was created that aligned recommendations to leaderships' vision to help the organization achieve its desired future state.

Technology Utilization Assessment – Mt. Pleasant Waterworks, South Carolina

David led an objective evaluation of the organization's system usage and governance related to the existing financial system (Microsoft Dynamics) and the existing workorder management system (Maximo). The organization wanted to maximize the efficiency and effectiveness of both systems while maintaining internal controls and system of record. The project consisted of numerous interviews, data review, system mapping, and a collaborative workshop among stakeholders to define a future state.

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Grant Compliance Audit – Decide DeKalb, Georgia

David led a Grant Compliance Assessment of various development projects for Decide DeKalb. The project reviewed the established grant and contractual criteria to be maintained by developers and compared with tenant information related to low income occupants. The project identified areas of compliance, non-compliance, and recommendations for remediation.

Forensic Audit – Confidential City

David led a forensic investigation into questionable cash management activity for a City Parks and Recreation department. The project reviewed bank account activity, cancelled checks, cash withdrawals, and purchased item documentation as well as conducted interviews with account cardholders to determine the collection, handling, and use of several hundred thousand dollars collected in fees, sponsorships, and contributions made to the City. Numerous observations and corresponding recommendations were developed to enhance internal controls, written policies, and procedures to correct conflicts of interest, mishandling of funds, and misappropriation of funds.

Governmental IT Solutions

Beyond traditional audit and accounting services, Mauldin & Jenkins performs various IT attestation and non-attestation services. The following are three such services.

Cybersecurity Framework Engagements

With governments dealing with IT ransoms, cybersecurity is one of the top issues on the minds of nearly every government (large & small). Managing this business issue is especially challenging. A government with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner.

Services can be provided via: 1) attestation engagements, or 2) consulting engagements. The AICPA has established standards for performing attestation engagements in this arena with the issuance of the SOC for Cybersecurity as part of its suite of System and Organization Controls (SOC) reporting. Consulting services can be provided while not compromising auditor independence.



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System Vulnerability Assessments Engagements

This is the process of defining, identifying, classifying and prioritizing vulnerabilities in computer systems, applications and network infrastructures, and providing an assessment with necessary knowledge, awareness and risks to understand the threats to determine appropriate reactions. Using specialized tools and applications, we can access networks to scan with automated tools and interrogate every device connected to network with the objective of searching for misconfigurations, unsupported software, missing software updates and patches, etc.



Penetration Testing Engagements

This is the practice of testing a computer system to find security vulnerabilities that a hacker / attacker could exploit using automation or manual applications. The process involves gathering information about the target before the test, identifying possible entry points, attempting to break in – actually or virtually – and reporting back the findings. Tests come from external or internal angles of entry. Our main objective is to identify security weaknesses. Penetration testing can also be used to: test an organization's security policy; its adherence to compliance requirements; its employees' security awareness; and, the government's ability to identify and respond to security incidents.



City of Stockbridge, Georgia
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December 31, 2022

CLOSING

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures. If you have any questions regarding any comments, suggestions or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the City's management, and others within the City's organization and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve City of Stockbridge, Georgia and look forward to serving the City in the future. Thank you.



I began my 1st term in January 2020. In 2020, 2021 and in all previous years, the results from the Independent Audits have been presented by the Auditing firm directly to the Mayor & Council in our Public Meetings in July/August and hardcopies were provided by the Auditing firm and given directly to each member of the Governing Body. That did not happen with the results of the 2022 Independent Audit which was expected to be presented to the Governing Body in July/August of 2023. For your review, I have submitted a series of emails since July 2023 which will show countless inquiries/requests that I have sent requesting the Engagement Letter as well as the results of the 2022 Independent Audit from Mauldin and Jenkins (the auditing firm). You will also see a series of emails from a consensus of the Council dated October 2023 who directed the City Manager/City Treasurer/Mayor to delay presenting the Independent Audit until after the Elections in November 2023.

On July 31, 2023 at 5:34 PM **(Subject of email: RE: June 2023 Monthly Reports-Mauldin & Jenkins Financial Audit)**, I initiated my first email inquiry to our City Manager (Fred Gardiner) and Treasurer/Finance Director (John Wiggins-resigned as of Oct 2023) asking "has Mauldin & Jenkins conducted the Financial Audit this year? If not, has it been scheduled? If so, when?" All members of the Governing Body (including Mayor Anthony S. Ford) were included on the email. **On August 1, 2023 at 8:23 AM**, Mr. Gardiner replied to my inquiry stating that the auditors had been conducting the annual audit and it is his understanding that it would be presented to the Mayor and Council at our Budget Retreat on August 10 & 11th by the firm and or Mr. Wiggins.

➤ *It did not happen in August. The 2022 Independent Audit was not provided nor was it presented to the Governing Body on either date as was previously conveyed.*

One week later, on August 8, 2023 at 9:10 AM **(Subject of email: Mauldin & Jenkins Financial Audit)**, Mr. Wiggins replied to my initial email inquiry from July 31st stating that the audit is scheduled to be completed by August 31st and MJ will present to Council on the 11th or 26th of September.

➤ *It did not happen in September. The 2022 Independent Audit was not provided nor was it presented to the Governing Body on either date as was previously conveyed.*

On October 3, 2023 at 2:54 PM, **(Subject of email: Mauldin & Jenkins Financial Audit)**, I sent a follow-up email to Mr. Wiggins and Mr. Gardiner inquiring about the status of the audit. All members of the Governing Body (including Mayor Anthony S. Ford) were included on the email. **On Oct 4, 2023 at 11:11 AM**, Mr. Wiggins replied to my inquiry stating that a representative from Mauldin & Jenkins would present a brief synopsis of the Audit on October 31st meeting.

➤ *It did not happen in October. The 2022 Independent Audit was not provided nor was it presented to the Governing Body during the meeting as was previously conveyed.*

On October 20, 2023 at 11:07 AM, **(Subject of email: Request for Information)**, I sent an initial email to the Representative of Mauldin and Jenkins (Hope Pendergrass) requesting a copy of the full audit as well as a copy of the Engagement Letter. I did not receive a response from the Representative. I followed up with a **2nd email** to the Representative on 10/23/2023 at 11:49 PM. I sent a **3rd and final follow up email** to the Representative on 10/27/2023 at 8:52 AM. I also included the editor of the AJC. I never received a response from neither individual regarding my requests.

At the start of our November 13, 2023 Council Meeting, the CAFR report (Comprehensive Accounting/Finance Report) (pages stapled together) was disseminated (on the Dias) to each member of the Governing Body and included a few pages that show the logo of the auditing firm. The CAFR is a financial report compiled and generated by the City of Stockbridge's Finance Department (an internal report). It is NOT the Independent Audit. The Representative from the Auditing firm gave a brief presentation of the observations from the 2022 Audit, but she did not provide copies of the Engagement Letter as well as the Independent Audit conducted by the firm to the Governing Body for review. During the presentation by the Representative of the Auditing Firm, I specifically asked the Auditor for a copy of the Engagement Letter and a copy of the Audit Adjustments. Hope Pendergrass stated that the Engagement Letter was not included in the report and that Management has a copy of the Audit Adjustments. She also stated that if she hadn't sent them to Management, she would send them tomorrow. Keep in mind that the CAFR report was disseminated to each member of the Governing Body during our Council meeting. There was no time for me to review the information contained in the CAFR report and ask questions. When I arrived home, I reviewed the CAFR report. The full Independent Audit still was not provided to the Governing Body.

An Independent Audit is crucial in ensuring that there is no waste, fraud or abuse. Each member of the Governing Body has a fiduciary responsibility to the taxpayers to not only receive this important financial information, but to review it thoroughly, ask questions of the auditor and hold our City's Treasurer and City Manager accountable for implementing checks and balances and putting the necessary control measures in place, to ensure that tax dollars are not being wasted and that there is transparency in all of the City's financial transactions.

The Engagement Letter is a contract between Mauldin and Jenkins that describes their scope of work. See the attached copy. In reviewing the Engagement Letter from the auditing firm, under the section entitled "Reporting", it states: the audit should come directly to the Governing Body from the Auditing Firm. This is to ensure that there is independence in the audit process. It was never provided prior to my Open Records Request to the Georgia Department of Law's Office-Attorney General's Office. It is the responsibility of the Mayor, as the Chief Executive Officer of the City of Stockbridge to make sure that the Audit process is followed. My many requests for the audit was ignored since July 2023. I included the Mayor (Anthony S. Ford) on every email communication that I have sent to City staff and the Council inquiring about the Independent Audit. Not only did he not assist with obtaining the information that I requested, he also did not speak up when three other Council Members agreed to withhold the audit.

On February 13, 2024 at 6:39 PM, (Subject of email: REQUEST FOR OPEN RECORD: 2022 INDEPENDENT AUDIT FROM MAULDIN AND JENKINGS ALONG WITH THE ENGAGEMENT LETTER, I submitted an Open Records Request to the City of Stockbridge. All members of the Governing Body are included on the email as well as the City Clerk, City Manager and City Attorney.

On Feb/Mar 2024, I submitted an Open Records Complaint to the Georgia Department of Law's Office-Attorney General's Office.

On April 27, 2024 at 1:46 PM, (Subject of email: 3rd Follow-up Request for Information: 2022 Independent Audit Results And Engagement Letter, I sent an email to the Governing Body, once again requesting support to obtain the Independent Audit along with the Engagement Letter. I informed them that I still had not received a copy of the Independent Audit. I reiterated that the Auditing Firm (Mauldin and Jenkins) were contracted by the City of Stockbridge to perform the

mandated audit. I also once again advised that the CAFR (Certified Accounting/Financial Report) is an 'internal report' prepared by City staff. It should not be provided in lieu of the Independent Audit that is **mandated under The City of Stockbridge's Ordinance Section 6.29 Audits**. Only one member of the Governing Body 'concurred' with my request (Councilman Alphonso Thomas).

On April 30, 2023, when I arrived for our City Council Worksession at appxly 5:45pm, I saw that copies of the Engagement Letter and the 2022 Independent Audit conducted by Mauldin and Jenkins had been distributed/placed on the dias for each member of the Governing Body. Later that evening, I noticed an email from the Attorney Georgia Department of Law's Office informing me that a letter was issued to the City Attorney of Stockbridge (Quinton Washington) regarding my complaint. As a result of my complaint to the Georgia Department of Law's Office-Attorney General's Office, the 2022 Independent Audit along with the Engagement Letter was finally provided to each member of the Governing Body.

As a Councilmember, it is a shame that I have had to resort to contacting an outside entity to intervene to receive the audit results, nearly ten months after my original and repeated requests (via emails and public meetings) for information that should have been given directly to each member of the Governing Body and should be readily available.

From: **Yolanda Barber** <Ybarber@stockbridgega.org>

Date: Sat, Apr 27, 2024 at 1:46 PM

Subject: Fwd: 3rd Follow-up Request for Information: 2022 Independent Audit Results And Engagement Letter
To: Anthony Ford <asford@stockbridgega.org>, LaKeisha Gantt <LGantt@stockbridgega.org>, Elton Alexander <ealexander@stockbridgega.org>, Kyle Berry <kberry@stockbridgega.org>, Alphonso Thomas <athomas@stockbridgega.org>

Cc: Quinton Washington <quinton@washingtondreyer.com>

To All Members of the Governing Body of the City of Stockbridge,

Since July 2023, I have made countless attempts to receive the '2022 Independent Audit' conducted by Maulding and Jenkins, along with the Engagement Letter to no avail (during public meetings and emails directed to City Manager the former Treasurer as well as a representative from the contracted firm-Maulding and Jenkins, Ms. Pendergrass (see the series of emails below).

As of today, I have not received a response from any representative of the Independent Auditing Firm (Maulding and Jenkins) who were contracted by the City of Stockbridge to perform the mandated Audit. The CAFR (Certified Accounting/Financial Report) that has been prepared and provided to the Governing Body by City staff is an 'internal financial report' prepared by City staff. I am highly offended that the CAFR would be given to the Governing Body in lieu of the Independent Audit conducted by Maulding and Jenkins. Independent Audits are unbiased and should not be provided to staff. Independent Audits should be provided directly to the Governing Body as it has been in the past.

At the start of January 2024 and prior to the first Council meeting of 2024, I sent an email directly to all members of the Governing Body with a series of motions that I intended to bring forth. In which one of the motions was to direct staff to post a solicitation seeking proposals from Independent Auditing firms. In which, three members of the Governing Body chose to abstain from voting. One member of the Governing Body left the dias and was notably absent from voting. As such, all of my motions failed.

As a result of my email at the start of January 2024, one Council member brought forth the motion as though it was his idea. I seconded his motion, with the directive to staff to present Staff's Recommendation to Award a new contract back to the Governing Body during our first Council Meeting in March 2024. As of today, no such Recommendation of Award has been presented to the Governing Body.

Let this email serve as another attempt by me to receive the 2022 Independent Audit along with the Engagement Letter from the firm that was contracted to conduct the 2022 Independence Audit along with the Engagement Letter. Each one of us took an Oath and each one of us have a fiduciary responsibility to ensure that the taxpayers monies are being spent wisely. To be complacent/complicit is a dereliction of your duties as Elected Officials.

I am requesting support from every member of the Governing Body to give a directive to our City's Attorney to draft and submit a letter to the firm requesting the 2022 Independent Audit along with the Engagement Letter.

Sincerely,

Yolanda Barber

City of Stockbridge
Councilmember—District 4

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/27/23 8:52 AM (GMT-05:00)
To: hpenderggrass@mjcpa.com
Cc: Leon.Stafford@ajc.com
Subject: RE: 3rd Follow-up Request for Information

Good Morning Ms. Pendergrass,

I'm following up on my request to you for a copy of the full audit and the Engagement Letter so that I can fulfill my duties as a member of the Governing Body.

When should I expect this information? It has been one week and I have not received a response from you.

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/23/23 11:49 PM (GMT-05:00)
To: hpenderggrass@mjcpa.com
Subject: 2nd Request for Information

Good Evening Ms. Pendergrass,

I wanted to follow-up on my email request below. How soon should I expect a copy of the Engagement Letter along with the Audit that your firm conducted this year?

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/20/23 11:07 AM (GMT-05:00)
To: hpenderggrass@mjcpa.com
Subject: Request for Information

Good Day Ms. Pendergrass,

I understand that the Audit had been completed sometime ago, but it has not been shared with the full Council or the Public. Please forward to me a copy of the full audit so that I can fulfill my duties as a member of the Governing Body.

Also, would you please provide me with a copy of the Engagement Letter? Thank you.

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

From: **Yolanda Barber** <Ybarber@stockbridgega.org>
Date: Sat, Apr 27, 2024 at 6:30 PM
Subject: Fwd: Speaking for Mr. Berry (only sent to you)
To: Elton Alexander <ealexander@stockbridgega.org>, LaKeisha Gantt <LGantt@stockbridgega.org>, Anthony Ford <asford@stockbridgega.org>, Kyle Berry <kberry@stockbridgega.org>, Alphonso Thomas <athomas@stockbridgega.org>

Here's another reminder to all of you. My original email below was clear. See the attachment.

The CAFR is not the same as the Independent Audit conducted by Maulding and Jenkins.

I know that I am right. I don't need any of you to agree with me. Hence, the reason why I am the only one who has consistently been asking for it and encouraging all of you to do the same for almost a year. Ten months to be exact!

Sincerely,

Yolanda Barber

City of Stockbridge
Councilmember–District 4
678-435-3450
YBarber@stockbridgega.org

From: Yolanda Barber
Sent: Monday, January 8, 2024 2:42:02 PM
To: Elton Alexander <ealexander@stockbridgega.org>
Cc: Alphonso Thomas <athomas@stockbridgega.org>; Anthony Ford <asford@stockbridgega.org>; LaKeisha Gantt <LGantt@stockbridgega.org>; Kyle Berry <kberry@stockbridgega.org>
Subject: RE: Speaking for Mr. Berry (only sent to you)

This particular page is included in the 2022 Financial Report that Mr. Gardiner provided validates my thoughts.

According to this page (my points are highlighted in blue), the Representative of Maulding and Jenkins addressed the findings of the Independent Audit directly to Mayor and Council properly. However, staff received it timely, but not the full Council as it should've been.

If you understand Independent Audits, you would know that the observations/findings/results from Independent Audits are to be shared ONLY between the Auditing Firm and directly to the Governing Body.

Subsequently, the Governing Body discusses the observations/findings/results of the Audit with Executive Staff Members and follows up on Corrective Actions in response to the observations/findings/results. Not the other way around.

Here's the correct distribution flow of the Audit:

Maulding & Jenkins  Governing Body  Executive Staff Members (City Manager/City Treasurer).

Sincerely,

Yolanda Barber
Councilmember– District 4
City of Stockbridge
Main: 678-435-3450
YBarber@stockbridgega.org

----- Original message -----

From: Yolanda Barber <Ybarber@stockbridgega.org>

Date: 1/8/24 2:06 PM (GMT-05:00)

To: Elton Alexander <calexander@stockbridgega.org>, Yolanda Barber <Ybarber@stockbridgega.org>

Cc: Alphonso Thomas <athomas@stockbridgega.org>, Anthony Ford <asford@stockbridgega.org>, LaKeisha Gantt <LGantt@stockbridgega.org>, Kyle Berry <kberry@stockbridgega.org>

Subject: RE: Speaking for Mr. Berry (only sent to you)

It is not my intentions to speak for Councilman Berry or anyone. I will share lessons that I've learned. I am sure that he is beyond capable of fulfilling the responsibilities as Mayor Pro Tem. It's the dynamics of our City operations that I'm concerned about. I just don't like duplicitous behaviors of politicians and staff members. You understand.

We still have not received the full 2022 Audit results from Maulding and Jenkins.

Sincerely,

Yolanda Barber

Councilmember- District 4

City of Stockbridge

Main: 678-435-3450

YBarber@stockbridgega.org

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Elton Alexander <calexander@stockbridgega.org>

Date: 1/8/24 1:59 PM (GMT-05:00)

To: Yolanda Barber <Ybarber@stockbridgega.org>

Subject: Speaking for Mr. Berry (only sent to you)

Council Barber,

I want you to think back on how you felt in that first meeting Councilman Blount, you, and I had after our first city council meeting. I recall he kept speaking over you and interrupting you telling you what you could and could not do. I remember the look on your face. At some point you got tired of it and spoke up. Don't speak for Mr. Berry limiting what he can do, let him find his own way. You will see he already understand government as well as any of us.

Sent via the Samsung Galaxy S9, an AT&T 5G Evolution capable smartphone

From: **Yolanda Barber** <Ybarber@stockbridgega.org>
Date: Sat, Apr 27, 2024 at 6:30 PM
Subject: Fwd: Speaking for Mr. Berry (only sent to you)
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City of Stockbridge
Councilmember–District 4
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If you understand Independent Audits, you would know that the observations/findings/results from Independent Audits are to be shared ONLY between the Auditing Firm and directly to the Governing Body.

Subsequently, the Governing Body discusses the observations/findings/results of the Audit with Executive Staff Members and follows up on Corrective Actions in response to the observations/findings/results. Not the other way around.

Here's the correct distribution flow of the Audit:

Maulding & Jenkins  Governing Body  Executive Staff Members (City Manager/City Treasurer).

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Yolanda Barber
Councilmember– District 4
City of Stockbridge
Main: 678-435-3450
YBarber@stockbridgega.org

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Date: 1/8/24 2:06 PM (GMT-05:00)

To: Elton Alexander <calexander@stockbridgega.org>, Yolanda Barber <Ybarber@stockbridgega.org>

Cc: Alphonso Thomas <athomas@stockbridgega.org>, Anthony Ford <asford@stockbridgega.org>, LaKeisha Gantt <LGantt@stockbridgega.org>, Kyle Berry <kberry@stockbridgega.org>

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Date: 1/8/24 1:59 PM (GMT-05:00)

To: Yolanda Barber <Ybarber@stockbridgega.org>

Subject: Speaking for Mr. Berry (only sent to you)

Council Barber,

I want you to think back on how you felt in that first meeting Councilman Blount, you, and I had after our first city council meeting. I recall he kept speaking over you and interrupting you telling you what you could and could not do. I remember the look on your face. At some point you got tired of it and spoke up. Don't speak for Mr. Berry limiting what he can do, let him find his own way. You will see he already understand government as well as any of us.

Sent via the Samsung Galaxy S9, an AT&T 5G Evolution capable smartphone

----- Original message -----

From: John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Date: 10/4/23 11:11 AM (GMT-05:00)

To: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, Anthony Ford <ASFord@cityofstockbridge-ga.gov>

Subject: RE: Maulding & Jenkins Financial Audit

Good Morning,

Hope from Maulding & Jenkins will present a brief synopsis of the Audit on October 31st Meeting.

Thanks,

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>

Sent: Tuesday, October 3, 2023 2:54 PM

To: John Wiggins <JWiggins@cityofstockbridge-ga.gov>; Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>; LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>; Elton Alexander <EAlexander@cityofstockbridge-ga.gov>; Anthony Ford <ASFord@cityofstockbridge-ga.gov>

Subject: RE: Maulding & Jenkins Financial Audit

Importance: High

Good Afternoon Mr. Wiggins/Mr. Gardiner,

I don't see the audit of the Governing Body's meetings in September nor the upcoming meeting Agenda.

When will the observations/findings/results from the annual audit be presented by Mauldin & Jenkins and Mr. Wiggins/Mr. Gardiner to the Governing Body, just as it's been done in the past?

Sincerely,

Mayor Pro Tem, Yolanda Barber

City of Stockbridge

(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Date: 8/8/23 9:10 AM (GMT-05:00)

To: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, Anthony Ford <ASFord@cityofstockbridge-ga.gov>

Subject: RE: Maulding & Jenkins Financial Audit

Good Morning,

The audit is schedule to be completed by August 31st and MJ will present to Council on the 11th or 26th of September.

Thanks,

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>

Sent: Tuesday, August 1, 2023 11:36 AM

To: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>; John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>; LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>; Elton Alexander <EAlexander@cityofstockbridge-ga.gov>; Anthony Ford <ASFord@cityofstockbridge-ga.gov>

Subject: Maulding & Jenkins Financial Audit

Thank you sir.

The observations/findings/results from the annual audit needs to be presented by Mauldin & Jenkins and Mr. Wiggins to the Governing Body during the Budget Retreat and during our upcoming Council Meeting, just as they have done in the past.

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Date: 8/1/23 8:23 AM (GMT-05:00)

To: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, Anthony Ford <ASFord@cityofstockbridge-ga.gov>

Subject: RE: June 2023 Monthly Reports-Maulding & Jenkins Financial Audit

Good Morning CM Barber,

The auditors have been conducting the annual audit and it is my understanding that it will be presented to Mayor and Council at our Budget Retreat meeting on August 10 & 11th by the firm and or Mr. Wiggins.

Thanks

Frederick Gardiner, AICP
City Manager

4640 North Henry Blvd.
Stockbridge, GA. 30281
Office: (770) 389-7904
Cell Phone: (470) 743-2941
Email: fgardiner@cityofstockbridge-ga.gov
www.cityofstockbridge.com

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>

Sent: Monday, July 31, 2023 5:34 PM

To: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>; John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Cc: John Blount <JBlount@cityofstockbridge-ga.gov>; LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>; Elton Alexander <EAlexander@cityofstockbridge-ga.gov>; Anthony Ford

<ASFord@cityofstockbridge-ga.gov>

Subject: RE: June 2023 Monthly Reports-Maulding & Jenkins Financial Audit

Importance: High

Good Afternoon All-

Mr. Gardiner/Mr. Wiggins,

Has Maulding & Jenkins conducted the Financial Audit this year? If not, has it been scheduled? If so, when?

Sincerely,

Mayor Pro Tem, Yolanda Barber

City of Stockbridge

(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Date: 7/19/23 9:27 AM (GMT-05:00)

To: John Blount <JBlount@cityofstockbridge-ga.gov>, Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, Anthony Ford <ASFord@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>

Cc: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>, Vanessa Holiday <VHoliday@cityofstockbridge-ga.gov>

Subject: June 2023 Monthly Reports

Please see the attached files. Also, included is the 2023 2nd Quarterly Report.

Thanks,

John Wiggins

City Treasurer

4640 North Henry Boulevard

Stockbridge, GA 30281

678-833-3316 Office

678-670-0554 Cell

jwiggins@cityofstockbridge-ga.gov

cityofstockbridge.com

----- Original message -----

From: John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Date: 10/13/23 10:39 AM (GMT-04:00)

To: Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: Anthony Ford <ASFord@cityofstockbridge-ga.gov>, John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>

Subject: RE: Audit Report

Councilman Alexander,

I appreciate the kind words and the confidence in the Finance Department teamwork under my guidance. Yes, the Fund Balance for the start of year 2022 is \$12,060,268 which increase to \$15M as of today.

My synopsis on the Audit is good and has been consistent with every year that I have been here in the City of Stockbridge.

The 2022 Audit will state that Finance needs to correct some procedures and timing issues in the Management's Corrective Action Plan section which are in material:

- Management of Receivable Accounts
- Capitalization of Capital Assets
- Interfund Activity

Mauldin & Jenkins auditing view will concur with results of the 2022 Audit. The Audit should be ready to distribute by next Friday and Mauldin & Jenkins will present October 30th.

I have enjoyed my time in the City, but I am concerned about the continued request for a Forensic Audit which is casting a cloud of doubt on a really good Finance Team and myself of fraud, corruption, or misrepresentation of financial facts.

Again, I thank you for the opportunity to cast my footprint in the City of Stockbridge.

John Wiggins III

From: Elton Alexander <EAlexander@cityofstockbridge-ga.gov>

Sent: Friday, October 13, 2023 9:19 AM

To: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>; John Wiggins <JWiggins@cityofstockbridge-ga.gov>; Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: Anthony Ford <ASFord@cityofstockbridge-ga.gov>; John Blount <JBlount@cityofstockbridge-ga.gov>; LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>

Subject: RE: Audit Report

Mr. Wiggins,

Thank you for your years of service to the city of Stockbridge and thank you for your briefing on the city audit this morning over the phone as you prepare to release it to Council and the public. To hear the fund balance was \$12 million beginning the year and has actually increased to \$15 million is very good news. Monthly sales tax collection is up as well meaning Splost and T-Splost collection are up. Your synopsis was an overall good audit in the opinion of Mauldin and Jenkins and consistent with the excellent results we have seen in the past years. Closing out your service to the city on a high note.

Get it right is the most important thing especially in an election time when Council members are attacking the city for political gain aligning themselves with the haters in our city. This is the ultimate definition of a politician just tell the people what they want to hear will looking for information to back up the false

narrative. I apologize for the way you have been treated with Forensic Audit casting doubt on your department which is totally unfair given the consistent audit results over your time as Stockbridge City Treasurer.

Sent via the Samsung Galaxy S9, an AT&T 5G Evolution capable smartphone

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>

Date: 10/12/23 11:24 PM (GMT-05:00)

To: John Wiggins <JWiggins@cityofstockbridge-ga.gov>, Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>

Cc: Anthony Ford <ASFord@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>, Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>

Subject: RE: Audit Report

Good Evening All-

Mr. Wiggins/Mr. Gardiner,

I wanted to follow-up on the Request for the Audit and its observations/findings. Will it be available for pickup tomorrow (Friday, October 13th)?

Sincerely,

Mayor Pro Tem, Yolanda Barber

City of Stockbridge

(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>

Date: 10/11/23 3:59 PM (GMT-05:00)

To: John Wiggins <JWiggins@cityofstockbridge-ga.gov>

Cc: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>, Anthony Ford <ASFord@cityofstockbridge-ga.gov>, Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>, Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, John Blount <JBlount@cityofstockbridge-ga.gov>, LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>

Subject: Re: Audit Report

Am I able to pick it up tomorrow?

Thanks,

Councilman Thomas

Sent from my iPhone

> On Oct 11, 2023, at 3:46 PM, John Wiggins <JWiggins@cityofstockbridge-ga.gov> wrote:

>

> The Audit will be ready next week and presented at the October 30th meeting.
>
> -----Original Message-----
> From: Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>
> Sent: Wednesday, October 11, 2023 3:09 PM
> To: John Wiggins <JWiggins@cityofstockbridge-ga.gov>
> Cc: Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>; Anthony Ford
> <ASFord@cityofstockbridge-ga.gov>; Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>; Elton
> Alexander <EAlexander@cityofstockbridge-ga.gov>; John Blount <JBlount@cityofstockbridge-ga.gov>;
> LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; Alphonso Thomas <AThomas@cityofstockbridge-ga.gov>
> Subject: Audit Report
>
> I hope your transitioning is going well and I pray that your future is prosperous.
>
> Please provide a copy of the full audit to the entire council that has been prepared by our auditing firm,
Mauldin & Jenkins.
>
> The Audit was due to the state by June 30. (Please confirm)
>
> Remember, the audit was scheduled to be presented at the Retreat, then September 11, or September
26. That didn't happen.
> At the October 9th council meeting , it didn't happen .
> Why?
>
> I will pick up my copy on Thursday.
>
> Thanks,
> Councilman Thomas
>
> Sent from my iPhone

From: Elton Alexander <ealexander@stockbridgega.org>

Sent: Friday, October 13, 2023 11:37:10 AM

To: LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>; John Blount <JBlount@cityofstockbridge-ga.gov>

Cc: Mayor Council <councilmayor@cityofstockbridge-ga.gov>; Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>;

Quinton Washington <quinton@washingtondreyer.com>; Vanessa Holiday <VHoliday@cityofstockbridge-ga.gov>

Subject: RE: Request to hold the city Audit discussion November 13th

Mayor Ford,

We have a Council Consensus to review the city audit on November 13th, please do not put it on the October work session agenda.

Sent via the Samsung Galaxy S9, an AT&T 5G Evolution capable smartphone

----- Original message -----

From: LaKeisha Gantt <LGantt@cityofstockbridge-ga.gov>

Date: 10/13/23 11:08 AM (GMT-05:00)

To: John Blount <JBlount@cityofstockbridge-ga.gov>

Cc: Elton Alexander <EAlexander@cityofstockbridge-ga.gov>, Mayor Council <councilmayor@cityofstockbridge-ga.gov>, Frederick Gardiner <fgardiner@cityofstockbridge-ga.gov>, Quinton Washington <quinton@washingtondreyer.com>, Vanessa Holiday <VHoliday@cityofstockbridge-ga.gov>

Subject: Re: Request to hold the city Audit discussion November 13th

I'm ok with holding off until November 13.

In Service,

LaKeisha Gantt, Esq.

Councilwoman

District 1

On Oct 13, 2023, at 10:56 AM, John Blount <JBlount@cityofstockbridge-ga.gov> wrote:

I'm okay with November 13th

Sent from my iPhone

On Oct 13, 2023, at 9:48 AM, Elton Alexander <EAlexander@cityofstockbridge-ga.gov> wrote:

Mr. Gardiner,

I am requesting we have the city audit discussion November 13th to stop a potential political circus at our work session campaigning during the meeting. We have seen blantant campaigning at meetings repeatedly as of late with Council members actually going into the audience during the meeting to lobby for their position on rezonings. The staff should not be placed in the position of being used as political pawns to score points with the naysayers and haters of the city. Council and the public should receive the city audit information now for our review and any questions but the discussion should occur at our November meeting.

Our Treasure is leaving today and he said one of the reasons he is leaving is being publicly embarrassed and attacked by Council at our city council meetings when Council members go on wild goose chases looking for information they could have requested before the meeting so he could be prepared. If you know you want the information let him know so he could bring it to the meeting was his point.

On November 13th there will be no political points to score or votes to seek so the discussion should be informative versus political and dramatic. I make this request for the benefit of everyone involved especially our staff.

Sent via the Samsung Galaxy S9, an AT&T 5G Evolution capable smartphone

From: **Yolanda Barber** <Ybarber@stockbridgega.org>

Date: Sat, Apr 27, 2024 at 1:46 PM

Subject: Fwd: 3rd Follow-up Request for Information: 2022 Independent Audit Results And Engagement Letter
To: Anthony Ford <asford@stockbridgega.org>, LaKeisha Gantt <LGantt@stockbridgega.org>, Elton Alexander <ealexander@stockbridgega.org>, Kyle Berry <kberry@stockbridgega.org>, Alphonso Thomas <athomas@stockbridgega.org>

Cc: Quinton Washington <quinton@washingtondreyer.com>

To All Members of the Governing Body of the City of Stockbridge,

Since July 2023, I have made countless attempts to receive the '2022 Independent Audit' conducted by Maulding and Jenkins, along with the Engagement Letter to no avail (during public meetings and emails directed to City Manager the former Treasurer as well as a representative from the contracted firm-Maulding and Jenkins, Ms. Pendergrass (see the series of emails below).

As of today, I have not received a response from any representative of the Independent Auditing Firm (Maulding and Jenkins) who were contracted by the City of Stockbridge to perform the mandated Audit. The CAFR (Certified Accounting/Financial Report) that has been prepared and provided to the Governing Body by City staff is an 'internal financial report' prepared by City staff. I am highly offended that the CAFR would be given to the Governing Body in lieu of the Independent Audit conducted by Maulding and Jenkins. Independent Audits are unbiased and should not be provided to staff. Independent Audits should be provided directly to the Governing Body as it has been in the past.

At the start of January 2024 and prior to the first Council meeting of 2024, I sent an email directly to all members of the Governing Body with a series of motions that I intended to bring forth. In which one of the motions was to direct staff to post a solicitation seeking proposals from Independent Auditing firms. In which, three members of the Governing Body chose to abstain from voting. One member of the Governing Body left the dias and was notably absent from voting. As such, all of my motions failed.

As a result of my email at the start of January 2024, one Council member brought forth the motion as though it was his idea. I seconded his motion, with the directive to staff to present Staff's Recommendation to Award a new contract back to the Governing Body during our first Council Meeting in March 2024. As of today, no such Recommendation of Award has been presented to the Governing Body.

Let this email serve as another attempt by me to receive the 2022 Independent Audit along with the Engagement Letter from the firm that was contracted to conduct the 2022 Independence Audit along with the Engagement Letter. Each one of us took an Oath and each one of us have a fiduciary responsibility to ensure that the taxpayers monies are being spent wisely. To be complacent/complicit is a dereliction of your duties as Elected Officials.

I am requesting support from every member of the Governing Body to give a directive to our City's Attorney to draft and submit a letter to the firm requesting the 2022 Independent Audit along with the Engagement Letter.

Sincerely,

Yolanda Barber

City of Stockbridge
Councilmember—District 4

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/27/23 8:52 AM (GMT-05:00)
To: hpenderggrass@micpa.com
Cc: Leon.Stafford@ajc.com
Subject: RE: 3rd Follow-up Request for Information

Good Morning Ms. Pendergrass,

I'm following up on my request to you for a copy of the full audit and the Engagement Letter so that I can fulfill my duties as a member of the Governing Body.

When should I expect this information? It has been one week and I have not received a response from you.

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/23/23 11:49 PM (GMT-05:00)
To: hpenderggrass@micpa.com
Subject: 2nd Request for Information

Good Evening Ms. Pendergrass,

I wanted to follow-up on my email request below. How soon should I expect a copy of the Engagement Letter along with the Audit that your firm conducted this year?

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.

----- Original message -----

From: Yolanda Barber <Ybarber@cityofstockbridge-ga.gov>
Date: 10/20/23 11:07 AM (GMT-05:00)
To: hpenderggrass@micpa.com
Subject: Request for Information

Good Day Ms. Pendergrass,

I understand that the Audit had been completed sometime ago, but it has not been shared with the full Council or the Public. Please forward to me a copy of the full audit so that I can fulfill my duties as a member of the Governing Body.

Also, would you please provide me with a copy of the Engagement Letter? Thank you.

Sincerely,
Mayor Pro Tem, Yolanda Barber
City of Stockbridge
(678) 435-3450

To report a problem you would like to see fixed in our city, please [click here](#) to submit a ticket for 'SeeClickFix'.



GEORGIA DEPARTMENT OF LAW

40 Capitol Square SW
Atlanta, Georgia 30334-1300

CHRISTOPHER M. CARR
ATTORNEY GENERAL

www.law.ga.gov
(404) 458-3600

Writer's Direct Dial:
404-458-4336
ksettle mire@law.ga.gov

April 30, 2024

Via Email Correspondence: quinton@washingtondreyer.com

Quinton Washington, Esquire
Washington, Dreyer & Associates, LLC
270 Peachtree Street NE, Suite 1040
Atlanta, Georgia 30303

RE: *Open Records Act Complaint from Yolanda Barber regarding the
City of Stockbridge*

Dear Mr. Washington:

I am writing regarding an Open Records Act complaint our office received from Ms. Yolanda Barber about the City of Stockbridge ("city"). According to Ms. Barber, she began requesting the city's 2022 Independent Audit results, along with the Engagement Letter, in July 2023. Ms. Barber states that on February 16, 2024, she submitted a formal Open Records request to the city for "the complete 2022 Independent Audit results along with the Engagement Letter." Ms. Barber alleges that to date, she still has not received the requested records. I have attached a copy of Ms. Barber's complaint for your review.

Under Georgia law, the Attorney General, as an independent constitutional officer, has the discretionary authority to enforce the Open Records Act and the Open Meetings Act. O.C.G.A. §§ 50-14-5(a) and 50-18-73(a). The Attorney General has chosen to exercise that discretion by establishing a mediation program where citizens may raise issues and concerns with us regarding the Acts, and we will attempt to resolve disputes between citizens and local government. This office also reserves the right to pursue litigation in these matters where it deems doing so is appropriate.

Of course, I am not aware of all the circumstances surrounding the request, and I am not assuming that the city violated the law. I ask that the city provide a response to the allegations within the next ten business days. Thank you for your attention to this matter.

Quinton Washington, Esq.
April 30, 2024
Page 2

Sincerely,

/s/ Kristen Settlemire

KRISTEN SETTLEMIRE
Assistant Attorney General

cc: Ms. Yolanda Barber (via email correspondence)

STATE OF GEORGIA
COUNTY OF HENRY
CITY OF STOCKBRIDGE

RESOLUTION NO. R57-821

A RESOLUTION ESTABLISHING A POLICY FOR KEEPING THE CITY COUNCIL INFORMED OF CERTAIN MATTERS

WHEREAS, the City of Stockbridge ("City") is a municipal corporation duly organized and existing under the laws of the State of Georgia and is charged with being fiscally responsible concerning the use and expenditure of all public funds;

WHEREAS, the City Council desires to be kept informed of all matters pertaining to city business;

WHEREAS, the City Council specifically finds that the proposed policy promotes and protects the safety, health, peace, security, good order, comfort, convenience, and general welfare of the city and its inhabitants;

WHEREAS, the Mayor and Council believe that the proposed procedure is in the best interest of the City and its citizens;

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED as follows:

Section 1. **Establishment of Policy** -- The Mayor and Council of the City of Stockbridge hereby direct the City Manager (or any person acting in such capacity) to adhere to the following:

1. The Mayor and Council shall simultaneously or near-simultaneously receive in writing, via e-mail or via telephone call, as circumstances merit, all information pertaining to city events, major city projects or other important city business that may come before Council.
2. The Clerk is authorized to make copies of all in-coming correspondence to the City and to distribute copies of such correspondence to all of the members of the City Council.

Section 2. **Documents** -- The City Clerk is authorized to execute, attest to, and seal any documents which may be necessary to effectuate this Resolution, subject to approval as to form by the City Attorney.

Section 3. **Severability** - To the extent any portion of this Resolution is declared to be invalid, unenforceable, or non-binding, that shall not affect the remaining portions of this Resolution.

Section 4. Repeal of Conflicting Provisions - All City resolutions inconsistent with this Resolution are hereby repealed.

Section 5. Effective Date - This Resolution shall be effective immediately upon the date of its adoption by the City Council and Mayor as provided in the City Charter.

SO RESOLVED, this the 30th day of May, 2017.

CITY OF STOCKBRIDGE, GEORGIA

Judy Neal
JUDY NEAL, MAYOR

ATTEST:

Vanessa Holiday
VANESSA HOLIDAY, CITY CLERK

APPROVED AS TO FORM:

Michael Williams
MICHAEL WILLIAMS, CITY ATTORNEY



Where Community Connects

CITY COUNCIL MEETING SUMMARY MINUTES

MONDAY, NOVEMBER 13, 2023 6:00 P.M.

Mayor & City Council

Mayor Anthony S. Ford At-Large
Mayor Pro Tem Yolanda Barber – Council District 4
Councilman Elton Alexander – Council District 5
Councilman John Blount – Council District 3
Councilwoman LaKeisha Gantt – Council District 1
Councilman Alphonso Thomas – Council District 2

Administration

Frederick Gardiner – City Manager
Vanessa Holiday – City Clerk
John Wiggins – City Treasurer
Quinton Washington – City Attorney

Mission: To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford at 6:00 p.m.

Invocation by Mr. Mike Davis

The Pledge of Allegiance was recited by all in attendance.

City Clerk, Vanessa Holiday was asked to proceed with a verbal roll call. All Members were present.

Motion to amend the Agenda - to defer Items #12, Item #13, Item #14 to be heard at the December 11, 2023 meeting per the applicant's request made by Councilwoman Gantt; seconded by Councilman Blount. The motion passed unanimously 5-0.

Motion to adopt the Agenda – Motion to adopt the Agenda made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed unanimously 5-0.

Motion to approve the Minutes for the following meetings made Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously 5-0.

1. Council Meeting Minutes September 11, 2023
2. Work Session Minutes September 26, 2023

PUBLIC COMMENTS

All persons wishing to speak for public comment must sign in with the City Clerk prior to the beginning of the meeting noting your name, address, and phone number. You will be allotted three (3) minutes. Speakers must respect all members of the elected body, officials, and staff. Defamation, unruliness and/or swearing will not be tolerated. There were no public comments.

CEREMONIAL REVIEW

3. Mayor Ford reviewed the proclamations for: World Pancreatic Cancer Day, Small Business Saturday, the 2023 Bizness Matters Expo and National Native American Indian Month.
Motion to amend the Agenda to recognize an employee who recently retired with 32 years of service made by Councilman Thomas; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

The Mayor & Council presented retiree Tommy Mosley with a plaque from the city for his 32 years of service.

PRESENTATION

4. REVISED PROVISIONS TO STATE ZONING PROCEDURES LAW.
A presentation on the State of Georgia's Zoning Procedures Law regarding new mandated requirements.
Presented by: Ryan Anderson, Chief Planner and Ms. Rebecca Keifer of Clark, Patterson, Lee (CPL).
Motion to approve Revised Provisions to the State Zoning Procedures Law as presented and timeline made by Councilwoman Gantt; seconded by Councilman Thomas. The motion passed unanimously 5-0.

Attorney Washington stated that none of the Public Hearing cases presented tonight are subject to the new State Zoning Procedures Law.

Ms. Keifer stated that all cases that existed prior to today would be considered on a case by cases basis.

Councilwoman Gantt stated the policy should preserve the rights of the landowner, and should be applicant driven, and requested a mandate of Zoning Information Meetings to be required and written into the policy.

5. 2022 AUDITOR'S DISCUSSION & ANALYSIS OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FROM MAULDIN & JENKINS
Presented by: Frederick Gardiner, City Manager and Hope Pendergrass of Mauldin & Jenkins, CPA.
Ms. Pendergrass noted the FY2022 Audit Report and Auditor Adjustments reports prepared by Mauldin & Jenkins have been submitted to the city's Management staff, noting City has received an unmodified opinion; and noted the City's Finance Department has prepared an Annual Comprehensive Financial Report for FY2022 and gave an overview of the city's CAFR (Comprehensive Financial Report) for FY2022; noting the Fund Balance is approximately \$4.5 million, and Utility Funds are holding steady; noted there were material findings that can be corrected in 2023.

Councilman Alexander noted the firm's history and footprint of over 600 clients throughout the southeast; noted the city's adoption of the 3.77 millage rate, and noted the city's implementation of the police department for public safety reasons has impacted the budget; and asked the City Manager to review the impact of the property tax.

Mr. Gardiner noted the property tax will not be the major source of revenue, and that LOST and SPLOST is the city's major source of revenue, and noted the city is headed toward 50,000 fast and needs to take that into consideration, and projects escrows to be around \$5 million to \$6 million dollars.

Ms. Pendegrass noted with the city's budget cycle that ends December 31, you will receive most revenue at the end of the year 12/31, noting the city's expenditures are throughout the year, and the Council needs to take that into consideration.

Mr. Gardiner noted that while the city approved a 3.77 millage rate, citizens were already paying 1.904 for public safety to Henry County, therefore, the actual millage added to the budget will be approximately 1.866.

Councilman Alexander noted the millage allows for public safety with 60 officers patrolling the city of Stockbridge.

Mayor Pro Tem Barber asked if the Engagement Letter, and Budget and General Ledger Adjustments were included in the report.

Ms. Pendegrass noted they were not, however, there are budget to actual reports included.

Mayor Pro Tem Barber made a request to receive a copy of the Engagement Letter for the audit firm, the FY2022 Audit Report, all Management Reports and Auditor Adjustments that were submitted to management staff from Mauldin & Jenkins.

Councilman Thomas requested to receive the reports as well, noting Management has a copy, but Council does not.

Ms. Pendegrass noted it is the practice of the auditor to submit the reports to management for distribution to the governing body.

Mr. Gardiner confirmed the reports would be submitted as requested.

Councilwoman Gantt asked the Auditor to explain audit adjustments.

Mr. Pendegrass noted Management records the activities of the city in a general ledger, which is essentially the books and records of the city's transactions; and the city's finance staff presents the final numbers to the Auditor for audit, and findings and corrections are submitted to the city's management as audit adjustments and included as part of the final audit.

CONSENT AGENDA

6. Council consideration to approve the use of the Merle Manders Conference Center Ballroom for a Youth Council Holiday Event on December 16, 2023. Motion to approve the Consent Agenda made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

Mayor Ford asked for a Motion to amend the Agenda to hear Item #18 (Homestead Exemptions). Motion to amend the Agenda made by Councilwoman Gantt; seconded by Councilman Blount.

During discussion, Mayor Pro Tem Barber noted that Homestead Exemption item, along with the audit information was just distributed to the Governing Body right before the meeting and that the Council has not had an opportunity to read and review the information and will only vote for discussion and not approval of the item.

The motion to amend the Agenda passed unanimously 5-0.

Mr. Gardiner noted the information would not require a vote tonight, and apologized for the late distribution of information, and suggested the Council review the information and come back for a vote on the exemptions at the next meeting where a Resolution will be presented to the state legislature.

Mayor Pro Tem Barber asked that her vote to be rescinded to allow for the Public Hearing Items to be heard as presented on the Agenda,

Councilman Thomas stated that because Item #18 is a presentation, and out of respect for the citizens present for the Public Hearing, and also considering the information was just presented to the Governing Body tonight, and that the item should remain in its current position on the Agenda, and rescinded his vote and asked that other members of the Council do the same.

Councilman Blount noted the Homestead Exemption item is important for homeowners to hear as it relates to their taxes and did not view this matter as disrespect to the citizens.

Councilman Thomas noted the disrespect is leapfrog Item #18 over the Public Hearing items.

Mayor Ford asked legal for an opinion to remedy the action on the floor.

Councilman Thomas motioned to hear Item #18 in its current position on the Agenda, seconded by Councilman Blount. The motion passed unanimously 5-0.

Mayor Ford read the Public Hearing Rules.

PUBLIC HEARING

7. Council consideration to approve the adoption of the 2024-2028 City of Stockbridge Short-Term Work Program and Capital Improvements Element (STWP/CIE). Presented by: Ryan Anderson, Chief Planner
Mr. Anderson gave a brief overview of the projects and categories included in the plan.

Public Hearing Opened There were no comments. Public Hearing Closed.
Motion to approve the adoption of the 2024-2028 City of Stockbridge Short-Term Work Program and Capital Improvements Element (STWP/CIE) made by Councilman Alexander; seconded by Councilwoman Gannt. The motion passed 4-0. (Councilman Thomas was not present for the vote).

8. ZONING MODIFICATION CASE #ZM-2023-01. (Council District 5)
Council consideration of a request for a zoning modification to amend the Bridges at Jodeco Conceptual Plan to allow multi-family residential development in Pod A and to allow senior family residential in Pod B, identified by Parcel #053-01018000. The property has 14.630 +/- acres, and it is accessed via Chen Parkway and Argento Drive in Land Lots 77, 78, & 83 of District 6. Application by Michelle Y. Saade, Member (Applicant) of Southern Consulting Services, Inc. (Owner). The Staff recommendation is approval, and the Planning Commission Recommendation is approval. Applicant requested a deferral to the November 13, 2023 Council meeting.
Presented by: Ryan Anderson, Interim Community Development Director
Mr. Anderson presented an overview of the case.

Mr. Jeff Grant noted the only request is to approve the modification as requested and highlighted current and future development in the Bridges of Jodeco area.

Public Hearing Opened. There were no comments. Public Hearing Closed.

Motion to approve ZM-2023-01 made by Councilman Alexander; seconded by Councilwoman Gannt. The motion passed unanimously 5-0.

9. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-02. (Council District 4)
Council consideration of a request for a Comprehensive Plan Amendment to assign the future land use designation of 'High-Density Residential' to property at 55 Valley Hill Road to allow for the construction of a townhome development. The applicant is D.R. Horton, Inc., represented by Tiffany Hogan. The property represents Parcel Number S16-01006000, located in Land Lot 69 of District 12, and it contains 24.96 +/- acres within the Stockbridge city limits.
The Staff recommendation is approval, and the Planning Commission recommendation is denial. Applicant requested a deferral to the November 13, 2023 Council meeting.
Presented by: Ryan Anderson, Chief Planner

Mr. Anderson presented case no. CP-2023-02 and gave an overview of the Comprehensive Plan Amendment request, noting a new site plan had been submitted by the applicant earlier today and is therefore different than what has been submitted to the Council, noting the number of units has been reduced.

Ms. Hogan, who represents the applicant, D. R. Horton, Inc., gave an overview of the Comprehensive Plan Amendment request relating to the proposed development, and introduced Mr. Clay Smith of Keck and Wood, who noted a Traffic Study had been completed.

Public Hearing Opened. No opponents spoke in favor.

Speakers Opposed: Mr. Stehen Bradford; Mr. Richard Barrett; Ms. Joyce Andrews; Ms. Sandra Goings; Mr. John Reith; and Mr. Mike Davis.

Public Hearing Closed.

Ms. Hogan and Mr. Smith addressed inquiries from Mayor Pro Tem Barber, Councilman Alexander, Councilman Blount, and Councilwoman Gantt regarding the development.

Motion to approve CP-2023-02 made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed 3-2. (Alexander, Blount, Gantt Approved), (Barber and Thomas Opposed).

10. REZONING CASE #RZ-2023-03. (Council District 4)

Council consideration of a request for rezoning to assign the 'MFR' (Multiple Family Residential) zoning district to property at 55 Valley Hill Road to allow for the construction of a townhome development. The applicant/agent is D.R. Horton, Inc., represented by Tiffany Hogan. The property represents Parcel Number S16-01006000, located in Land Lot 69 of District 12, and it contains 24.96 +/- acres within the Stockbridge City Limits. The Staff recommendation is approval, and the Planning Commission Recommendation is denial. Applicant requested a deferral to the November 13, 2023 Council meeting.

Presented by: Ryan Anderson, Chief Planner
Mr. Anderson presented case #RZ-2023-03.

Councilwoman Gantt made a request for a legal opinion as to whether the city is required to hold a Public Hearing for each related item.

Attorney Washington stated the items could all be presented together with a single Public Hearing; however, each item would require a separate vote of the Council.

Mayor Pro Tem Barber exited the meeting at 8:50 p.m.

Ms. Hogan noted the reduction in the number of units to 156, noted there would be (84) additional guest parking throughout the development, noted all units are 3-bedroom units and (1) 4-bedroom unit on the end; noted all will be smart homes; noted the cul-de-sac has been removed; noted there

would be 10' sidewalks outside and 8' sidewalks on both sides of the street internally; noted the applicant agrees with the 5% rental cap and the gate; and the conditions as requested by staff.

Public Hearing Opened. No opponents spoke in favor.

Speakers Opposed: Mr. Stehen Bradford; Ms. Eve Bradford; Ms. Jan Chappell; and Mr. Richard Barrett.

Public Hearing Closed.

Mr. Anderson read the STAFF RECOMMENDATIONS into the record. The rezoning of the property at 55 Valley Hill Road from LI to MFR via RZ-2023-03 should be made with the following conditions:

1. Comprehensive Plan Amendment – The rezoning shall not be approved unless the applicant's requested Comprehensive Plan Amendment, via CP-2023-02, to change the subject property's future land use designation from Light Industrial to High-Density Residential is approved before, or simultaneously with, the approval of RZ-2023-03.
2. Variance – The rezoning shall not be approved unless the applicant's requested variance, via VR-2023-02, to reduce the required minimum front yard setback from 50 feet to 25 feet, is approved before, or simultaneously with, the approval of RZ-2023-03.
3. Site Plan – The proposed townhome development shall be constructed according to a design which is similar to the one that is shown on the applicant's submitted site plan, entitled "Concept Plan: Valley Hill Road Tract; Valley Hill Road; Stockbridge, Georgia, Henry Co.", which was prepared by Bowman Consulting Group, Ltd., dated 7/11/23, and received by the Planning and Zoning Office on July 3, 2023. The applicant shall submit a revised site plan which shows and labels all required setbacks and buffers, the number of unbuildable acres, and the net and gross densities of the proposed development.
4. Additional Buffers – The rezoning shall not be approved unless the applicant submits a revised site plan which shows the required 25-foot zoning buffer along the northern boundary, as well as the required 10-foot buffer at the eastern site boundary, adjacent to the railroad right-of-way.
5. Sanitary Sewer Availability – The rezoning shall not be approved unless the developer submits construction plans to the Stockbridge Public Works Department by June 29, 2024, or that office otherwise determines that sufficient sanitary sewer capacity is available to serve the proposed development.
6. Traffic Impact Study – The rezoning shall not be approved unless the applicant submits a traffic impact study which provides satisfactory traffic and transportation data.
7. Environmental Impact Study – The rezoning shall not be approved unless the applicant submits an environmental impact study which provides satisfactory environmental data.

The additional conditions for a gate and 5% Rental Cap were added to the conditions.

Attorney Washington restated his legal opinion noting public hearing items could all be presented together in a single Public Hearing; however, each item would require a separate vote of the Council.

Motion to approve RZ-2023-03 with the conditions recommended by staff and the added conditions of a gate to be consistent, and 5% rental cap made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed 3-0-1 (Alexander, Blount and Thomas approved) (Blount Abstained). (Barber was not present for the vote).

11. VARIANCE CASE #VR-2023-02. (Council District 4)

Council consideration of a request for a variance on property at 55 Valley Hill Road to allow for the construction of a townhome development. The purpose of the variance is to allow the reduction in the front yard setbacks from the required 50 feet to 25 feet in the MFR (Multiple Family Residential) zoning district. The property represents Parcel Number S16-01006000, located in Land Lot 69 of District 12, and it contains 24.96 +/- acres within the Stockbridge City Limits. The Staff recommendation is approval, and the Planning Commission Recommendation is denial. Applicant requested a deferral to the November 13, 2023 Council meeting. Mr. Anderson presented case #VR-2023-02.

Public Hearing Opened There were no speakers in favor.
Speaker Opposed: Mr. Dione Smith.
Public Hearing Closed.

Motion to approve VR-2023-02 with 30' setback made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed 4-0 (Barber was not present for the vote).

12. ANNEXATION CASE #AX-2023-03. (To be located in Council District 5.)

Council consideration of a request for the annexation of property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, into the Stockbridge City Limits. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with 14.16 +/- total acres. Property at 77 Holloway Road (Parcel #052-01023000) contains 1.16 +/- acres. The property at 87 Holloway Road (Parcel #052-01024000) contains 13.00 +/- acres. The Staff recommendation is approval, and the Planning Commission recommendation is denial. Applicant requested the first deferral to the November 13, 2023 meeting and the second deferral to the December 11, 2023 meeting.

Item Deferred to the December 11, 2023 Council Meeting at the applicant's request.

13. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-03. (To be located in Council District 5.)

Council consideration of a request for a Comprehensive Plan Amendment to assign the future land use designation of 'High-Density

Residential' to property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, if and after the parcels are annexed into the Stockbridge City Limits. The purpose of the request is to allow for a mixed residential development. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with 14.162 +/- total acres. The property at 77 Holloway Road (Parcel #052-01023000) contains 1.160 +/- acres. The property at 87 Holloway Road (Parcel #052-01024000) contains 13.012 +/- acres. Staff recommendation is approval and Planning Commission recommendation is denial. Applicant requested the first deferral to the November 13, 2023 Council meeting and the second deferral to the December 11, 2023 meeting.
Item Deferred to the December 11, 2023 Council Meeting at the applicant's request.

14. REZONING CASE #RZ-2023-04. (To be located in Council District 5.)

Council consideration of a request for rezoning to assign the zoning district of 'PUD' (Planned Unit Development) to two parcels on property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, if and after the parcels are annexed into the Stockbridge City Limits. The purpose of the request is to allow for a mixed residential development. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with 14.162 +/- total acres. 77 Holloway Road (Parcel 052-01023000) -- Contains 1.160 +/- acres. 87 Holloway Road (Parcel #052-01024000) -- Contains 13.012 +/- acres. The Staff recommendation is approval, and the Planning Commission recommendation is denial. Applicant requested a first deferral to the November 13, 2023 meeting, and a second deferral to the December 11, 2023 meeting.

Item Deferred to the December 11, 2023 Council Meeting at the applicant's request.

15. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-04.
(Council District 2)

Consideration of a request for a Comprehensive Plan Amendment to change the future land use designation of three parcels on Davidson Parkway and Walter Way from 'Low-Density Vertical Mixed-Use' to 'High-Density Residential' to allow for a mixed residential development. The applicant is D. R. Horton, Atlanta East, represented by Tiffany D. Hogan. The property contains three parcels, as are listed below, in Land Lot 57 of District 12, with 79.16 +/- total acres. Parcel #030-01009000 contains 73.859 +/- acres. Parcel #030-01009005 contains 3.636 +/- acres. Parcel #030-01009006 contains 1.369 +/- acres. The Staff recommendation is denial, and the Planning Commission recommendation is denial. The applicant requested a deferral to the November 13, 2023 Council meeting. Motion to Table to be heard at the December 11, 2023 meeting at the applicant's request to give the developer an opportunity to have a meeting with the community members made by Councilman Thomas; seconded by

Councilwoman Gantt. The motion passed 4-0 (Mayor Pro Tem Barber was not present for the vote).

16. REZONING CASE #RZ-2023-05. (Council District 2)

Consideration of a request to rezone three parcels on Davidson Parkway and Walter Way from 'C-3' (Heavy Commercial) to 'PUD' (Planned Unit Development) to allow for a mixed residential development. The applicant is D. R. Horton, Atlanta East, represented by Tiffany D. Hogan. The property contains three parcels, as are listed below, in Land Lot 57 of District 12, with 79.16 +/- total acres. Parcel #030-01009000 contains 73.859 +/- acres. Parcel #030-01009005 contains 3.636 +/- acres. Parcel #030-01009006 contains 1.369 +/- acres. The Staff recommendation is denial, and the Planning Commission recommendation is denial. The applicant requested a deferral to the November 13, 2023 Council meeting. Motion to Table to be heard at the December 11, 2023 meeting at the applicant's request to give the developer an opportunity to have a meeting with the community members made by Councilman Thomas; seconded by Councilwoman Gantt. The motion passed 4-0 (Mayor Pro Tem Barber was not present for the vote).

17. First Reading of the Proposed FY2024 Operating Budget and Capital Expenditures.

Presented by: Frederick Gardiner, City Manager

Mr. Gardiner presented the Proposed FY2024 Operating Budget and Capital Expenditures of \$26.7 million dollars with the major revenue source being sales tax; noted the Memo to Council includes a proposal of a 4% COLA (Cost of Living Adjustment) for employees who have not had a COLA in the last two years and is contingent upon Council approval; noted the request for (4) additional police department employees, with no other department staff hires; noted no increase to employee health plan deductions, noting this may change upon further discussions with the city's broke and bids received; referenced the 3.77 millage rate adopted; noted the City is grow to approximately 50,000 residents over the next few years.

Councilwoman Gantt suggested bringing Building, Permitting and Inspections in-house.

Mr. Gardiner noted he would have information and analysis at the next meeting.

Public Hearing Opened. No speakers in Favor.

Speaker Opposed: Ms. Anne Fields

Public Hearing Closed.

Second Reading Date: November 28, 2023 6pm

NEW BUSINESS

18. Council review & consideration of the Property Tax Homestead Exemption Plan and Ordinance for 2025.

Presented by: Frederick Gardiner, City Manager and Ed Wall, Financial Advisor

Mr. Gardiner and Mr. Wall presented a cafeteria list of exemptions and asked for the Council to provide feedback that would be included in a Resolution to be presented to the General Assembly in the 2024 session.

ANNOUNCEMENTS OF UPCOMING MEETINGS

UPCOMING MEETINGS & ANNOUNCEMENTS: Council meetings will be held in the City Council Chamber. Meeting dates, locations and times are subject to change or contact City Hall offices at 770-389-7900 for updates.

- Citywide Development Authority Meeting, 2nd Tuesday of each month at 6:00 p.m. - City Hall Levi Meeting Room (Nov 14)
- Downtown Development Authority Meeting, at the Welcome Center 130 M L King, Sr. Heritage Trail – Rescheduled Date (Nov 14)
- Planning Commission Meeting, 6:30 p.m. - City Hall Council Chamber – Rescheduled Meeting Date (Nov 16)
- Youth Council Advisory Committee Meeting, 6:30 p.m. -3rd Tuesday of each month Levi Meeting Room - City Hall (Nov 21)
- City Council Work Session Meeting, last Tuesday of each month at 6:00 p.m. – City Hall Council (Nov 28)
- 2nd Reading of the Proposed FY2024 Operating Budget – Public Hearing at 6:00 p.m. – City Hall Council Chamber (Nov 28).
- Stockbridge Citizens-Police Advisory Council meeting 1st Thursday of each month at 6:00 p.m. at the Stockbridge Police Community Room 4545 N. Henry Blvd. (Dec 7)
- Main Street Advisory Board Meeting, 2nd Friday of each month – Welcome Center located at 130 M L King, Sr. Heritage Trail at 9am (Dec 8)
- City Council Meeting, 2nd Monday of each month at 6:00 p.m. – City Hall Council Chamber (Dec 11)
- Adoption of the Proposed FY2024 Operating Budget – Public Hearing at 6:00 p.m. – City Hall Council Chamber (Dec 11).
- Youth Council Meeting, 6:30 p.m. - 2nd Monday of each month - City Hall Levi Meeting Room - City Hall (Dec 11)

UPCOMING CITY EVENTS/INITIATIVES

- Join Councilman Blount for *Bingo Bash*, Wednesday, November 15th from 10am – noon at the Merle Manders Conference Center located at 111 Davis Rd.
- Join Mayor Ford for the monthly *Meet the Mayor* on Monday, November 27th from 10am – noon. Please contact Rosalynd Rawls to schedule an appointment at 678-833-3348 or via email at rrawls@cityofstockbridge-ga.gov
- Calling all Veterans! Join the City of Stockbridge for the Annual Veterans Day Luncheon on Friday, November 10th from 11am – 1pm at the Merle Manders Conference Center as we honor those who have served and continue to serve this great nation.

- Join Councilman Thomas for the *Don't Trash Stockbridge* initiative centered around education highlighting the causes and effects of Littering and Illegal Dumping. More information to follow.
- Councilman Thomas is honoring *Veterans with a Continuous Salute* all year long. Please send your pictures of Veterans with their name, branch, rank, and years of service to rrawls@cityofstockbridge-ga.gov

MAYOR'S COMMENTS

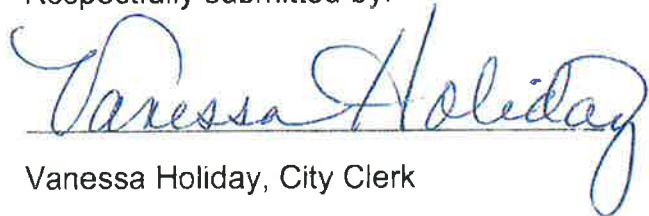
Mayor Ford noted the city recently held an outstanding Veterans Day Luncheon, and noted veterans were honored with a variety of activities throughout the weekend; noted COVID-19 is still actively among us and encouraged everyone to get vaccinated, get boosters and flu shots; and wished everyone a Happy Thanksgiving.

Attorney Washington noted the IGA (Intergovernmental Agreement) between the City of Stockbridge and the Citywide Development Authority that was discussed at the last meeting with changes by Councilwoman Gantt noting the revised copy has been placed on the dais and is ready for the Council to approve.

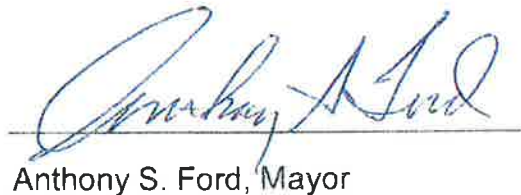
Motion to approve the IGA between the City of Stockbridge and the Citywide Development Authority made by Councilman Blount; seconded by Councilman Alexander. The motion passed 4-0. (Barber was not present for the vote).

Motion to adjourn made by Councilman Thomas; seconded by Councilman Alexander. The motion passed 4-0. (Barber was not present for the vote). The meeting adjourned at 10:40 p.m.

Respectfully submitted by:



Vanessa Holiday, City Clerk



Anthony S. Ford, Mayor



Where Community Connects

CITY COUNCIL MEETING SUMMARY MINUTES

MONDAY, DECEMBER 11, 2023 6:00 P.M.

Mayor & City Council

Mayor Anthony S. Ford At-Large
Mayor Pro Tem Yolanda Barber – Council District 4
Councilman Elton Alexander – Council District 5
Councilman John Blount – Council District 3
Councilwoman LaKeisha Gantt – Council District 1
Councilman Alphonso Thomas – Council District 2

Administration

Frederick Gardiner – City Manager
Vanessa Holiday – City Clerk
Vacant – City Treasurer
Quinton Washington – City Attorney

Mission: To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford at 6:00 p.m.

Invocation by Councilman Blount

The Pledge of Allegiance was recited by all in attendance.

City Clerk, Vanessa Holiday was asked to proceed with a verbal roll call. All Members were present except Councilwoman Gantt.

Motion to adopt the Agenda made by Councilman Alexander seconded by Councilman Blount. The motion passed unanimously 5-0.

Motion to approve the Minutes for the following meetings made Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously 5-0.

1. Council Meeting Minutes October 9, 2023
2. Work Session Minutes October 30, 2023

PUBLIC COMMENTS

All persons wishing to speak for public comment must sign in with the City Clerk prior to the beginning of the meeting noting your name, address, and phone number. You will be allotted three (3) minutes. Speakers must respect all members of the elected body, officials, and staff. Defamation, unruliness and/or swearing will not be tolerated. There were no public comments.

CEREMONIAL REVIEW

3. Mayor Ford reviewed the Proclamation for the 100th Anniversary of the Equal Rights Amendment presented to the N.O.W. President, Ms. Triana Arnold James.

Councilwoman Gantt joined the meeting at 6:04 p.m

CONSENT AGENDA

4. Approval of the 2024 Public Meetings Schedules
Approval of the 2024 Agenda Timeline
Approval of the 2024 Holiday Calendar
Approval of the 2024 City Council Initiatives Calendar
Approval of the 2024 Events Calendar
Approval of the re-appointment of Main Street Advisory Board Members: Andrea Burnett, Anika Potts, Willie Hopkins, Linda Jones, Shomari Furtch, Vanessa Gibson, Camille Reynoso Mason
Approval of the re-appointment of Downtown Development Authority Board Members: Frangela Merritt, Robert Anderson and Warren Washington
Approval of the re-appointment of Youth Council Advisory Committee Members: Alfreda Renee Gourdine, Sharika Zellars, Arvia Hall, Derius Peurifoy
Approval of the re-appointment of Public Facilities Authority Board Members: Rashawn Rich George, and Toney Collins
Approval of the acceptance of a \$300,000 grant from U.S. D.O.J./Bureau of Justice Administration
Approval to procurement of (18) Flock License Plate Readers with (1) Portable for the ease of deployment - \$108,700.
Approval to accept a \$165,000 grant from the office of Senator Raphael Warnock via Edward G. Byrne's Law Enforcement for Mental Health and Wellness Program.
Approval to accept the grant award of \$2,000 from Walmart/5600 N. Henry Blvd. & \$3,400 from Walmart/1400 Hudson Bridge Rd.
Approval to accept the award of THE DOJ \$160,000 for the Accreditation Grant
Approval of the 2024 Worker's Compensation Renewal Policy - Key Risk \$107,107.00
Approval of the 2023 Bad Debt Write-Offs in the amount of \$8,406.04.
Motion to approve the Consent Agenda made by Councilman Alexander; seconded by Councilman Thomas. The motion passed unanimously 5-0.

UNFINISHED BUSINESS

5. Council Consideration to approve an Ordinance referencing the Cafeteria List of Homestead Exemptions for the City of Stockbridge effective January 1, 2025.
Presented by: Frederick Gardiner, City Manager
Motion to approve the List of Homestead Exemptions effective January 1, 2025 for the City of Stockbridge made by Councilman Alexander; seconded by Mayor Pro Tem Barber. The motion passed unanimously 5-0.

Mayor Ford read the Public Hearing Rules.

PUBLIC HEARING

6. ANNEXATION CASE #AX-2023-03. (To be located in Council District 5.) Council consideration of a request for the annexation of property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, into the Stockbridge City Limits. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with 14.16 +/- total acres. Property at 77 Holloway Road (Parcel #052-01023000) contains 1.16 +/- acres. The property at 87 Holloway Road (Parcel #052-01024000) contains 13.00 +/- acres. The Staff recommendation is approval, and the Planning Commission recommendation is denial. Applicant requested the first deferral to the November 13, 2023 meeting and the second deferral to the December 11, 2023 meeting.

Presented by: Mr. Ryan Anderson, Chief Planner

Mr. Anderson presented an overview of the associated cases:

ANNEXATION CASE #AX-2023-03; COMPREHENSIVE PLAN

AMENDMENT CASE #CP-2023-03; and REZONING CASE #RZ-2023-04.

The Applicant's Attorney, Michele Battle gave a presentation of the proposed development and fielded questions from the Mayor & Council, and requested the Recombination of Parcels language be removed, staff agreed; requested the new site plan as of November 30, 2023 relocating the dumpster location replace the previous version dated March 29, 2023, staff agreed; noted the development would utilize a property management company not a Homeowners Association; agreed to a 10' path along Patrick Henry Pkwy.; 6' Internal Sidewalks, and the 25' buffer would not be required; and added the Condition to add 8' path along Holloway Rd.; and added a Condition to add flock cameras at both entrances, along with Staff Recommended Conditions.

Public Hearing Opened

No Speakers in Favor

Speakers Opposed: Ms. Connie Snow, Ms. Tasha Kemple and Ms. Anne Fields read by the City Clerk.

Public Hearing Closed.

Motion to approve ANNEXATION CASE #AX-2023-03 made by Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously 5-0.

7. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-03. (To be located in Council District 5.) Council consideration of a request for a Comprehensive Plan Amendment to assign the future land use designation of 'High-Density Residential' to property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, if and after the parcels are annexed into the Stockbridge City Limits. The purpose of the request is to allow for a mixed residential development. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with

14.162 +/- total acres. The property at 77 Holloway Road (Parcel #052-01023000) contains 1.160 +/- acres. The property at 87 Holloway Road (Parcel #052-01024000) contains 13.012 +/- acres. Staff recommendation is approval and Planning Commission recommendation is denial. Applicant requested the first deferral to the November 13, 2023 Council meeting and the second deferral to the December 11, 2023 meeting.

Motion to approve COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-03 made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed 4-0-1 (Alexander, Blount, Gantt and Thomas Approved); (Barber Abstained).

8. REZONING CASE #RZ-2023-04. (To be located in Council District 5.)

Council consideration of a request for rezoning to assign the zoning district of 'PUD' (Planned Unit Development) to two parcels on property at 77 and 87 Holloway Road (with frontage on Patrick Henry Parkway), located in unincorporated Henry County, if and after the parcels are annexed into the Stockbridge City Limits. The purpose of the request is to allow for a mixed residential development. The applicant is NexMetro Acquisitions, LLC, c/o Battle Law, P.C. The property contains two parcels, as are listed below, in Land Lot 50 of District 6, with 14.162 +/- total acres. 77 Holloway Road (Parcel 052-01023000) -- Contains 1.160 +/- acres. 87 Holloway Road (Parcel #052-01024000) -- Contains 13.012 +/- acres. The Staff recommendation is approval, and the Planning Commission recommendation is denial. Applicant requested a first deferral to the November 13, 2023 meeting, and a second deferral to the December 11, 2023 meeting.

Motion to approve REZONING CASE #RZ-2023-04 with Amendments and Conditions: Recombination of Parcels language be removed, staff agreed; requested the new site plan as of November 30, 2023 relocating the dumpster location replace the previous version dated March 29, 2023, staff agreed; noted the development would utilize a property management company not a Homeowners Association; agreed to a 10' path along Patrick Henry Pkwy.; 6' Internal Sidewalks; 25' buffer would not be required; 8' path along Holloway Rd.; flock cameras at both entrances and Staff Recommended Conditions made by Councilman Alexander; seconded by Councilman Blount. The motion passed 4-0-1 (Alexander, Blount, Gantt and Thomas Approved); (Barber Abstained).

9. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-04.
(Council District 2)

Consideration of a request for a Comprehensive Plan Amendment to change the future land use designation of three parcels on Davidson Parkway and Walter Way from 'Low-Density Vertical Mixed-Use' to 'High-Density Residential' to allow for a mixed residential development. The applicant is D. R. Horton, Atlanta East, represented by Tiffany D. Hogan. The property contains three parcels, as are listed below, in Land Lot 57 of District 12, with 79.16 +/- total acres. Parcel #030-01009000 contains 73.859 +/- acres. Parcel #030-01009005 contains 3.636 +/- acres. Parcel #030-01009006 contains 1.369 +/- acres. The Staff recommendation is

denial, and the Planning Commission recommendation is denial. The applicant requested a deferral to the November 13, 2023 Council meeting. This item was not presented. It was noted that the city's updated Comprehensive Plan addresses this.

10. REZONING CASE #RZ-2023-05. (Council District 2)

Consideration of a request to rezone three parcels on Davidson Parkway and Walter Way from 'C-3' (Heavy Commercial) to 'PUD' (Planned Unit Development) to allow for a mixed residential development. The applicant is D. R. Horton, Atlanta East, represented by Tiffany D. Hogan. The property contains three parcels, as are listed below, in Land Lot 57 of District 12, with 79.16 +/- total acres. Parcel #030-01009000 contains 73.859 +/- acres. Parcel #030-01009005 contains 3.636 +/- acres. Parcel #030-01009006 contains 1.369 +/- acres. The Staff recommendation is denial, and the Planning Commission recommendation is denial. The applicant requested a deferral to the November 13, 2023 Council meeting. Mr. Anderson presented an overview of REZONING CASE #RZ-2023-05. The Applicant's Attorney, Tiffany Hogan, gave a presentation of the proposed development and fielded questions from the Mayor & Council. Ms. Hogan asked for the case to be deferred.

Motion to Defer to be heard at the March 4, 2024 meeting at the applicant's request made by Councilman Thomas; seconded by Councilman Blount. The motion passed unanimously 5-0.

11. ANNEXATION CASE #AX-2023-04. (To be located in Council District 5.)

Consideration of a request for the annexation of property at 2250 and 2206 Jodeco Road, located in unincorporated Henry County, into the Stockbridge City Limits to allow for the construction of a mixed-use development. The applicant is Marketplace Storefronts, LLC. The property contains two parcels, as are listed below, in Land Lot 78 of District 6, with 20.408 +/- total acres.

2250 Jodeco Road (Parcel #053-01017005) – Contains 20.138 +/- acres within 3 tracts.

2206 Jodeco Road (Parcel #053-01017000) – Contains 0.27 +/- acres.

Presented by: Ryan Anderson, Chief Planner

Mr. Anderson presented an overview of the associated cases:

ANNEXATION CASE #AX-2023-04; COMPREHENSIVE PLAN

AMENDMENT CASE #CP-2023-05; and REZONING CASE #RZ-2023-06.

The Applicant's Attorney, Kathy Watts Jones, gave a presentation of the proposed development and fielded questions from the Mayor & Council, and agreed to roof top, black mast poles, street pavers (with GDOT approval) and flock cameras at the entrance.

Public Hearing Opened

No Speakers in Favor

No Speakers Opposed

Public Hearing Closed

Motion to approve ANNEXATION CASE #AX-2023-04 made by Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously 5-0.

12. COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-05. (To be located in Council District 5.)

Consideration of a request to assign the future land use designation of 'High-Density Mixed-Use' to property at 2250 and 2206 Jodeco Road, located in unincorporated Henry County, into the Stockbridge City Limits to allow for the construction of a mixed-use development. The applicant is Marketplace Storefronts, LLC. The property contains two parcels, as are listed below, in Land Lot 78 of District 6, with 20.408 +/- total acres.

2250 Jodeco Road (Parcel #053-01017005) – Contains 20.138 +/- acres within 3 tracts.

2206 Jodeco Road (Parcel #053-01017000) – Contains 0.27 +/- acres.

Presented by: Ryan Anderson, Chief Planner

Motion to approve COMPREHENSIVE PLAN AMENDMENT CASE #CP-2023-05 made by Councilman Alexander; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

13. REZONING CASE #RZ-2023-06 (To be located in Council District 5.)

Consideration of a request to assign the zoning district of 'PUD' (Planned Unit Development) to four parcels at 2250 and 2206 Jodeco Road, located in unincorporated Henry County, if and after the parcels are annexed into the Stockbridge City Limits, to allow for the construction of a mixed-use development. The applicant is Marketplace Storefronts, LLC. The property contains two parcels, as are listed below, in Land Lot 78 of District 6, with 20.408 +/- total acres.

2250 Jodeco Road (Parcel #053-01017005) – Contains 20.138 +/- acres within 3 tracts.

2206 Jodeco Road (Parcel #053-01017000) – Contains 0.27 +/- acres.

Presented by: Ryan Anderson, Chief Planner

Motion to approve REZONING CASE #RZ-2023-06 with additional Conditions: roof top, black mast poles, street pavers (with GDOT approval) and flock cameras at the entrance along with Staff Recommended Conditions made by Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously 5-0

14. Final Reading and Adoption of the Proposed FY2024 Operating Budget and Capital Expenditures.

Presented by: Frederick Gardiner, City Manager

Mr. Gardiner presented an overview of the Proposed FY2024 Operating Budget and Capital Expenditures of \$26,711,636.00 and an overall combined budget of \$61,134,478.00, noting there were no comments received from the Governing Body.

Mayor Pro Tem Barber stated she has not received a copy of the Engagement Letter or the Audit Report from Mauldin & Jenkins, Budget Adjustments or Audit Adjustments and requested the reports be emailed to her.

Councilman Thomas motioned to amend the Organizational Chart to move Events under the Economic Development Department; there was not a second; the motion was withdrawn.

Public Hearing Opened.

No speakers in Favor.

No speakers Opposed.

Speaker Opposed: Ms. Anne Fields

Public Hearing Closed.

Motion to approve the FY2024 Operating Budget and Capital Expenditures in the amount of \$26,711,636 and Overall Budget of \$61,134,478 as presented made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed 4-0-1 (Alexander, Blount, Gantt and Thomas Approved) (Barber Abstained, noting her request for information has not been received).

NEW BUSINESS

15. Council Consideration to fill a vacancy and appoint members to the Citywide Development Authority.

Presented by: Vanessa Holiday, City Clerk

Motion to appoint Terri Marie Gleaton and Deverick Morgan to fill unexpired terms made by Councilman Blount; seconded by Councilman Alexander. The motion passed unanimously 5-0.

16. Council Consideration to fill a vacancy and appoint a member to the Youth Council Advisory Committee.

Presented by: Vanessa Holiday, City Clerk

Motion to appoint Paige Jones, III for a two-year term made by Councilman Blount; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

17. Council Consideration to fill a vacancy and appoint a member to the Downtown Development Authority.

Presented by: Vanessa Holiday, City Clerk

Motion to appoint Darrell Stamper for a four-year term made by Councilman Blount; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

ANNOUNCEMENTS OF UPCOMING MEETINGS

UPCOMING MEETINGS & ANNOUNCEMENTS: Council meetings will be held in the City Council Chamber. Meeting dates, locations and times are subject to change or contact City Hall offices at 770-389-7900 for updates.

- The City Council Work Session Scheduled for Tuesday, December 19th at 6pm has been canceled.

- Stockbridge Citizens-Police Advisory Council meeting 1st Thursday of each month at 6:00 p.m. at the Stockbridge Police Community Room 4545 N. Henry Blvd. (Jan 4)
- City Council Meeting 2nd Monday of each month at 6:00 p.m. - City Hall Council Chamber (Jan 8)
- Youth Council Meeting, 6:30 p.m. - 2nd Monday each month - City Hall Levi Meeting Room (Jan 8)
- Citywide Development Authority Meeting, 2nd Tuesday of each month at 6:00 p.m. - City Hall Levi Meeting Room (Jan 9)
- Main Street Advisory Board Meeting 2nd Friday of each month - Welcome Center/Main Street Offices located at 130 M L King, Sr. Heritage Trail at 9am (Jan 12).
- Downtown Development Authority Meeting, 3rd Tuesday of each month Welcome Center 130 M L King, Sr. Heritage Trail (Jan 16)
- Youth Council Advisory Committee Meeting, 6:30 p.m. -3rd Tuesday of each month Levi Meeting Room - City Hall (Jan 16)
- Planning Commission Meeting, 6:30 p.m. - City Hall Council Chamber - (Jan 24)
- City Council Work Session Meeting, last Tuesday of each month at 6:00 p.m. - City Hall Council Chamber (Jan 30)

UPCOMING CITY EVENTS/INITIATIVES

- Councilman Thomas will distribute *FREE Smoke Detectors*, Saturday, December 16th from 11am and while supplies last. Location 9900 Davidson Pkwy behind Jiffy Lube on North Henry Blvd.
- Join Mayor Ford for the monthly *Meet the Mayor* on Monday, December 18th from 10am – noon. Please contact Rosalynd Rawls to schedule an appointment at 678-833-3348 or via email at rrawls@stockbridgega.org
- Join Councilman Blount for *Bingo Bash* on Wednesday, December 20th from 10am – noon at the Merle Manders Conference Center for FREE fun, games, and snacks.
- Join Councilman Thomas for the *Don't Trash Stockbridge* initiative centered around education highlighting the causes and effects of Littering and Illegal Dumping. More information to follow.
- Councilman Thomas is honoring *Veterans with a Continuous Salute* all year long. Please send your pictures of Veterans with their name, branch, rank, and years of service to rrawls@stockbridgega.org

MAYOR'S COMMENTS

Mayor Ford noted COVID-19 is still actively among us and encouraged everyone to get vaccinated, get boosters and flu shots, wishing everyone to remain healthy during this holiday season and spend time with friends and family; and wished everyone Happy Holidays, Merry Christmas, and a prosperous new year in the City of Stockbridge as we continue to move the city forward; asked everyone to keep the faith as we continue to do the best that we can to serve our citizens.

Councilman Blount stated he has served the city diligently over the last eight years in the best way that he could, and what he thought was best for the city; stated no one comes in the position with the intention to mess up the city, and that everyone here has a heart for the city; noted his prayers are with each councilmember as they continue to diligently work for the city; stated he believes we are leaving this seat in good hands with a man who loves the Lord and is a fellow Jaguar and welcomed the new councilmember as a neighbor and friend; wished fellow colleagues well.

Motion to convene Executive Session for Personnel, Litigation and Real Estate made by Councilman Blount; seconded by Councilwoman Gantt. The motion passed unanimously 5-0.

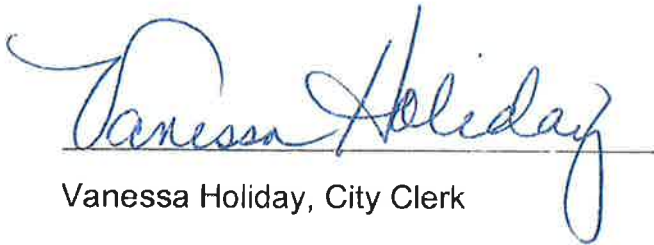
Motion to adjourn Executive Session and approve an Affidavit made by Councilman Thomas; seconded by Councilman Alexander. The motion passed 4-0 (Blount was not present for the vote).

Motion to reconvene the meeting made by Councilman Thomas; seconded by Councilwoman Gantt. The motion passed 4-0. 0 (Blount was not present for the vote).

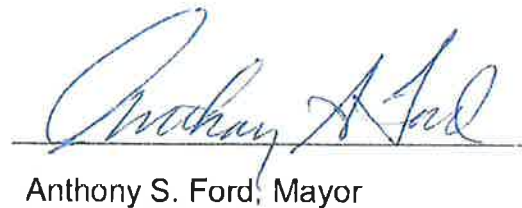
Motion to approve the transfer of 114 M L King, Sr. Heritage Trail to the Downtown Development Authority made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed 4-0 (Blount was not present for the vote).

Motion to adjourn made by Councilman Thomas; seconded by Councilwoman Gantt. The motion passed 4-0. (Blount was not present for the vote). The meeting adjourned at 10:31 p.m.

Respectfully submitted by:



Vanessa Holiday, City Clerk



Anthony S. Ford, Mayor



Where Community Connects

COUNCIL MEETING SUMMARY MINUTES

MONDAY, DECEMBER 12, 2022 6:00 P.M.

Mayor & City Council

Mayor Anthony S. Ford
Mayor Pro Tem Alphonso Thomas
Councilman Elton Alexander
Councilwoman Yolanda Barber
Councilman John Blount
Councilwoman LaKeisha Gantt

Administration

Frederick Gardiner, City Manager
Vanessa Holiday, City Clerk
John Wiggins, City Treasurer
Quinton Washington, City Attorney
Jeremy T. Berry, City Attorney

Mission: To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford.

Invocation by Mr. Maestro Evans.

Pledge of Allegiance was recited by all in attendance.

City Clerk, Vanessa Holiday was asked to proceed with a verbal roll call. All members were present except Councilman Alexander and Councilwoman Gantt. Councilman Alexander joined the meeting at 6:05 p.m.

Mayor Pro Tem Thomas motioned to amend the Agenda to add Item #17 Licensing Agreement for parking and Item #18 Contract Extension for GFL: Second by Councilman Blount. The motion passed 4-0.

Mayor Pro Tem Thomas motioned to adopt the amended Agenda: Second by Councilman Alexander. The motion passed 4-0.

Councilman Blount motioned for the adoption of the Minutes: Second by Councilwoman Barber. The motion passed 4-0.

1. Draft Minutes Special Called Meeting October 3, 2022
2. Draft Minutes Council Meeting October 10, 2022
3. Draft Minutes Work Session Meeting October 25, 2022

PUBLIC COMMENTS - All persons wishing to speak for public comment must sign in with the City Clerk prior to the beginning of the meeting noting your name, address, and phone number. You will be allotted three (3) minutes. Speakers must respect all members of the elected body, officials, and staff. Defamation, unruliness and/or swearing will not be tolerated.

- Mr. Maestro Evans – Stockbridge (Henry County) referenced the recent passage of the Annexation Referendum and asked when information would be distributed to the new residents.

PRESENTATION

4. Presentation of Open Gov Project

Presented by: Frederick Gardiner, John Wiggins, Brice Percynski

Informational and reporting tool for government transparency was presented.

Mr. Percynski noted this would give the citizens full transparency with the operations of the city; noted it would be an informational tool along with helping with different reports such as monthly reporting from finance, permitting reports from community development, procurement, etc.

Councilman Blount asked what the advantage would be to use this company.

Mr. Wiggins noted the information would be pulled from Incode, the city's Finance platform, and provide information to the public to promote transparency.

Councilman Blount asked why the city needs an outside company to provide information and transparency, and do for the city what staff should provide to the public considering the information comes from city staff and is submitted to this company.

Mr. Gardiner noted the city's platform does not present the information in laymen's terms that would be easily understood and referenced cities currently using the platform to include the City of Roswell.

Councilman Alexander noted all financial information is available to the public via an open records request, and suggested that at the most, 2% of the citizens would request the information and has not heard where this software would provide new information, but rather the information that the city already has, and asked Mr. Percynski to provide statistics on the use by the cities currently utilizing the platform.

Mr. Percynski confirmed, and noted the firm has a plan and offers professionalism and training to make sure the platform get up and operating properly.

Councilman Alexander asked for clarification of the upfront cost of \$50,000 plus approximately \$40,000 for a total upfront cost of \$90,000.

Mr. Percynski confirmed those numbers to be correct.
NO ACTION TAKEN.

PUBLIC HEARING

5. Final Reading and Adoption - Public Hearing of the Proposed FY2023 Operating Budget and Capital Improvement Plan

Presented by: Frederick Gardiner, John Wiggins

Mr. Gardiner presented an overview of the proposed FY2023 Operating Budget and Capital Improvement Plan.

Councilman Blount referenced his request for the city's Financial Advisor to attend the meeting noting this is the first budget that is being balanced with Fund Balance and will rely on the \$1.9 mil county rollback; and not being transparent as to how the city will sustain the increases.

Mayor Pro Tem Thomas noted the city is absorbing credit card fees of over \$53,000 per year and motioned to no longer absorb the fees; second by Councilman Alexander. The motion failed 2-0-2 (Barber/Blount Abstained).

Mayor Pro Tem Thomas referenced the 2nd Budget Hearing where it was confirmed by the City Manager that the newly proposed positions would not be funded in the 2023 Operating Budget, and that the critical position of Economic Development Director is moving forward and being funded.

Mr. Gardiner confirmed, noting his intent was for the candidate to be confirmed later during the meeting.

Mayor Pro Tem noted historically, and traditionally, the Council receives the resume of any Director nominated by the City Manager prior to Council confirmation.

Councilman Blount noted he did not need to see the resume and asked that the City Manager be allowed to hire and build his team.

Councilwoman Barber asked if there are any mid-year budget review meetings scheduled for 2023, noting there were no meetings provided in 2022 following requests; referenced the budget retreat and the new format that did not include the governing body, and noted that because of the lack of a budget review to know where the city is financially, she cannot support approval of the budget; Councilwoman Barber referenced the ARPA report and asked if the numbers were for FY22 or FY23.

Mr. Wiggins confirmed the report references FY2022.

Councilwoman Barber asked for a detailed report for ARPA funds spent by the Stockbridge Police Department and the city's Public Works Department and asked for clarification of ARPA funds paid in the amount of \$280,000.

Mr. Wiggins confirmed the \$280,000 was for the Employee Retention Incentive; and noted the ARPA balance is \$1.5 million with \$1.167 restricted.

Mr. Gardiner noted the goal is to try to get the budget process started with the Retreat in February 2023 to include the city's Strategic Plan and priorities for FY23 Projects and have a working document to present in August 2023.

Mayor Pro Tem Thomas requested that Council receive financial reports from the City Manager on a monthly and quarterly basis; and cited Section 4.10 of the Charter whereas the Council shall confirm all Directors, noting the Council should see the background information of the Director for which they are being asked to confirm, stating the Council must do their due diligence with respect to vetting candidates and confirmations of department Directors.

Mr. Gardiner noted he was not aware of that process noting the Charter does not specify that resumes be submitted to the governing body and would have the information forwarded to the Council for review for confirmation of the Director at the December 20, 2022 meeting.

Councilman Blount referenced the Charter and noted areas that appear to be antiquated and needs to be updated to 21st century best practices and noted councilmembers should present their questions to staff in advance and behind closed doors.

Mayor Pro Tem Thomas noted the Council had not been made aware that a Director position was being brought forward for confirmation by the City Manager until today.

Mr. Gardiner noted he plans to meet with the county to request additional tax funds based on the passage of the annexation referendum and the approximately 7,000 new residents as a result and hopes the county will comply with the request without legal recourse.

Mr. Gardiner noted he is working with GMA (Georgia Municipal Association to draft the appropriate correspondence to submit to the county regarding L.O.S.T. (Local Option Sales Tax) and the new city residents/former county residents where there is law that speaks to an approximate 6% increase in population.

Councilman Blount noted there needs to be a financial analysis completed.

Public Hearing Opened

No Speakers in Favor

No Speakers Opposed

Public Hearing Closed

Mayor Ford called for a motion to adopt the FY2023 Operating Budget and Capital Improvement Plan. There was no motion.
NO ACTION TAKEN

6. Notice of Public Hearing and Adoption Proposed Stockbridge Redevelopment Plan for (Tax Allocation District #1 - Downtown and North Henry Boulevard Corridor)
Presented by: Frederick Gardiner, Gary Mongeon of KB Advisory Group
Mr. Gardiner presented the Tax Allocation District #1 for adoption noting upon approval, the next step would be to reach out to the County Tax Assessor to continue the process.

Public Hearing Opened

No Speakers in Favor

No Speakers Opposed

Public Hearing Closed

Councilman Alexander motioned to approve Adoption of the Proposed Stockbridge Redevelopment Plan for Tax Allocation District #1 - Downtown and North Henry Boulevard Corridor: Second by Councilman Blount. The motion passed 3-0-1 (Thomas Abstained).

7. The governing authority for the City intends to consider and to vote upon an ordinance that will provide for an increase in compensation for the members of the governing authority and will provide that said increase for councilmembers shall increase from \$12,000 to \$20,000 annually and for the mayor shall increase from \$14,400 to \$22,400 annually. If so, approved on December 12, 2022, the annual salaries will become effective January 2024.
Presented by: Quinton Washington, City Attorney

Public Hearing Opened

Ms. Armenta Jones, Stockbridge (Henry County) asked where the money would come from to pay the additional salaries.

Mr. Maestro Evans asked what methodology was used to compute the 66.5% increase noting this percentage of an increase does not happen in the public or private sector.

Mayor Ford noted the salaries for the governing body have not increased in ten years.

Mr. Gardiner noted a salary analysis was completed taking into account compensation for similar municipalities.

No Speakers in Favor

Public Hearing Closed

Councilman Alexander motioned to Table: Second by Mayor Pro Tem Thomas. The motion failed 2-0-2 (Blount/Barber Abstained).
NO ACTION TAKEN

Councilman Alexander exited the meeting.

NEW BUSINESS

8. Council Consideration to approve the 2022 Utility Billing Write-Offs for the prior year in the amount of \$45,649.83.

Presented by: John Wiggins

Mr. Wiggins noted council approve last year's write-offs in the amount of \$14,101.78 with an increase of \$31,548.05, Mayor Ford inquired on the increase; noted no cut-offs were processed due to the pandemic from March 2020 until July 2021 and those on the list had already vacated properties when cut-offs were reinstated.

Councilman Blount motioned to approve the 2022 Utility Billing Write-Offs for the prior year in the amount of \$45,649.83: Second by Councilwoman Barber. The motion passed 3-0.

9. Council Consideration to approve Water Deposit Change/Increase from \$150 to \$200.

Presented by: John Wiggins

Mr. Wiggins noted the current deposit for water services to be connected requires is \$150 for renters only; noted the Finance Dept is requesting authorization to increase the water deposit to \$200 which would put the city in line with the other sister cities in the county and to change the language to include homeowners, property management companies and investment companies.

Councilman Blount asked if the deposit increase is expected to cause a decrease in future write-offs.

Mr. Wiggins noted a decrease due to the increase with more funding with the extra \$50 with the other deposit such as the homeowners and property managers; noted all the other sister cities implemented an increase three years ago.

Mr. Aaron noted the average water bill is approximately \$61.20.

Mayor Pro Tem Thomas motioned to approve Water Deposit Change/Increase from \$150 to \$200: Second by Councilman Blount. The motion passed 3-0.

10. Water and Sewer Rate Increase Ordinance – Council Consideration to approve the Ordinance for FY23 – FY27.

Presented by: Decius Aaron and Chad Peden (Carter & Sloope Engineer)

Mr. Aaron noted staff has looked at the water and sewer rate's structure and has reviewed the past audit and note GEFA (Georgia Environmental Finance Authority) requires the city to maintain a certain debt service coverage ratio; noted the city has not met the

requirement and with the loan with GEFA (Georgia Environmental Finance Authority) it allows them to raise the rates to meet the debt service coverage ratio; noted Carter & Sloope, city engineers has prepared a rate analysis study for the next 5 years to meet the with GEFA (Georgia Environmental Finance Authority) requirements which is a debt services ratio of 1.1%.

Mr. Peden noted the biggest challenge for the City of Stockbridge is that their cost recovery (operating revenues divided by operating expenditures) has fallen below 1.0 in recent years and in general, this ratio must be higher than 1.0 for a self-sustaining enterprise; noted the City of Stockbridge operates under an "increasing block" rate structure; noted this rate structure defines itself by charging higher rates per unit of water and sewer as the volume of consumption increases; noted consumers face a lower rate up to the first block of consumption and pay a higher price up to the limit of the second block, and so on until the highest block of consumption; noted customers are billed the base charge plus usage except for irrigation and hydrant meters and recommended residents have a typical block structure which is described as the cost per 1,000 gallons from 0 to 10,000 is uniformed with whatever is used and if residents use more than 4,000 gallons, the cost will go up.

Mayor Ford inquired if that would include a reduced rate based on quantity.

Mr. Peden noted it would not be a reduced rate, and would cover whatever expenses to provide and produce water; noted three options were identified for with the goal of maintaining a sustainable enterprise, Proportional Increase, Uniform Increase and Custom Increase with recommending going forward with Custom Increase; noted Overall, the average residential water and sewer bill (4,000 gallons) would increase from \$61.28 per month to \$90.10 per month, equivalent to 1.85% of the median household income, which is still below the 2.0 guideline recommended by USDA.

Councilman Blount motioned to approve Water and Sewer Rate Increase Ordinance for FY23 – FY27: Second by Councilwoman Barber. The motion passed 3-0.

11. Council consideration to approve the renewal of the City of Stockbridge On-Call Sidewalk Replacement and Repairs Contract with DAF Concrete, Inc. in the amount of 250,000.00. The funding source is SPLOST V.

Presented by: Decius Aaron

Mr. Aaron noted the city had an assessment completed in 2018 of the streets with council wanting to include sidewalks; noted the assessment is similar to the LMIG (Local Maintenance and Improvement Grant) analysis, with DAF Concrete, Inc repairing over 11,100 linear ft. of sidewalks and used a rating system on how locations would be chosen and spent \$260,00 repairing and replacing sidewalks; noted work has been completed in Monarch Village, Windsong and Summit View with the goal next year of obtaining the same amount as LMIG (Local Maintenance and Improvement Grant) with a minimum of 5

miles and a minimum of sidewalk replacement of at least 11,000 linear feet; noted staff would like to be proactive to keep the city sidewalks safe.

Mayor Ford asked how the newly annexed streets would be incorporated into the city's LMIG Plan.

Mr. Aaron noted he is having conversations with the City Manager about the new subdivisions coming into the city and assumes they will all have the same conditions with roads and sidewalks and will gradually start working on them; noted staff has already identified the location due to SPLOST being approved for specific areas with the new areas starting in 2024 and have already identified the streets and sidewalks to be repaired; noted after a new evaluation is completed, new areas will be added.

Councilwoman Barber noted the city awarded a LMIG contract for as a separate contract and asked why this contract is needed.

Mr. Aaron noted GDOT (Georgia Department of Transportation) requires an annual list of streets that would be resurfaced under the LMIG (Local Maintenance and Improvement Grant) and noted the repair of damaged sidewalks in the city is beyond what the Public Works staff can do.

Councilman Blount motioned to approve the renewal of the City of Stockbridge On-Call Sidewalk Replacement and Repairs Contract with DAF Concrete, Inc., in the amount of 250,000.00: Second by Mayor Pro Tem Thomas. The motion passed 3-0.

12. Council Consideration to approve the 2023 City Events Calendar

Presented by: Kim Jordan, Frederick Gardiner

Mr. Gardiner noted the 2023 events calendar includes 15 planned events that includes the date, time, location and a brief description of the event.

Mayor Pro Tem Thomas requested to move BridgeFest date from 9/23/23 to 9/30/23 and to have lateral leeway to be able to adjust some dates where there may be a conflict:

Mayor Ford noted the time for BridgeFest states 7pm-11pm and noted this has historically been an all-day event.

Mr. Gardiner noted he would check with staff on the time for the event.

Councilwoman Barber motioned to remove the \$50,000 for Re-opening of the Merle Manders Conference Center: Second by Councilman Blount. The motion passed 3-0.

Councilwoman Barber motioned to Table the Item: Second by Mayor Pro Tem Thomas. The motion passed 3-0.

13. Council Consideration to approve the 2023 Council Initiative Calendar

Presented by: Rosalynd Rawls

Ms. Rawls presented the proposed Council Initiatives Calendar, noting changes may occur during the year.

Councilwoman Barber requested the calendar to be amended noting the free Zumba sessions would begin in May 2023; asked that the Blood Drives be removed from the calendar noting she would schedule those; and asked that the non-profit entity, Hands of Hope, currently listed for the Annual Kickball Charity event be removed as she would be announcing the 2023 non-profit benefactor.

Motion to approve the 2023 Council Initiative Calendar as amended: Barber/Thomas
Passed 3-0.

14. Council Consideration to appoint members to the Planning Commission

Presented by: Quinton Washington

Mayor Ford inquired on the number of slots available for each board/committee.

Ms. Holiday noted a number of individuals would like to be re-appointed, however with the new residents coming in, a number of applications have come in and was hoping Mayor and Council would extend the deadline to allow for additional applications before making appointing; noted staff has received applications for the Citizens Police Advisory Council where the policy states the Mayor and Council shall appoint members as well as the Chief of Police; noted there has been a number of applications received for District 2 and inquired on who would make the appointment first, noting there needs to be more clarification; noted citizens have been applying for more than one board/committee with vacancies on a few boards; noted the Chief Trammer has advised the Citizens Police Advisory Council will not appoint members until the latter part of the first quarter of 2023 and recommends delaying until there is clarity, noting it has also been requested that anyone applying for the Citizens Police Advisory Council also apply for the Citizens Police Academy and vice versa; and asked the Council to consider the Planning Commission needs appointments to conduct business with a quorum.

Mayor Ford noted the Councilmember of the district would make the initial appointment to the Citizen-Police Advisory Council.

Councilwoman Barber recommended postponing new appointments until February with the exception of the Planning Commission and allow the new residents a chance to apply.

Ms. Holiday referenced the Charter, where the term for the Planning Commission ends 12/31.

Mayor Pro Tem Thomas motioned to Table appointments to the January 9, 2023 meeting with the swearing-in to take place in February: Second by Councilwoman Barber. The motion failed 2-1 (Blount Opposed).

Mayor Ford suggested the appointments at the December 20, 2022 Work Session meeting.

Councilman Blount motioned to Table appointments until December 20, 2022 at the Work Session meeting with the swearing-in in January 2023: Second by Mayor Pro Tem Thomas. The motion Failed 2-0-1 (Barber Abstained). NO ACTION TAKEN

15. Council Consideration to appoint members to the Youth Council Advisory Committee
Presented by: Quinton Washington
NO ACTION TAKEN

16. Council Consideration to appoint members to the Main Street Advisory Board
Presented by: Quinton Washington
NO ACTION TAKEN

17. Council Consideration to approve a Licensing Agreement for parking at Stockbridge Municipal Court and City Hall between the Stockbridge First Baptist Church and the City of Stockbridge during the Right-of-Way Easement construction.
Presented by: Danielle Davis, Fredrick Gardiner
Mr. Gardiner noted during the road improvements and widening to Lee Street, Stockbridge First Baptist Church has asked to utilize the city hall parking lot and the Municipal Courts parking lot during construction.

Councilwoman Barber motioned to approve: Second by Mayor Pro Tem Thomas. The motion passed 3-0.

18. Council Consideration to approve a one-year renewal contract extension for sanitation services with GFL.
Presented by: Danielle Davis, Frederick Gardiner, and Decius Aaron
Mr. Aaron noted staff is currently receiving the correct list of parcels from the Tax Commissioner regarding the newly annexed properties to work with and noted some parcels are listed as commercial but in fact are residential; staff will have to go through each parcel and integrate into the current route structure with GFL; noted GFL has requested at least 90 days to start providing service to the newly annexed residents, noting current GFL residents are billed property taxes and the new residents would have to be billed directly; noted by June 1, 2023, the city would have to have the information to give to the tax assessor office to bill residents on the tax statements in year 2024.

Mayor Ford inquired on the transition for the new residents.

Mr. Gardiner noted having the chief elected official sending out a letter to the new residents informing them on what services would be included once annexed into the city.

Councilwoman Barber inquired if the city issued a solicitation to bid for residential and commercial waste collection services.

Mr. Aaron confirmed; noting the bid closed on December 8th, and the selection committee has been named; and noted once procurement gives the committee a date to meet and review the two proposals, the committee will evaluate the proposals and staff will come before council to award the contract.

Councilwoman Barber noted it has been recommended that service comments for the current provided be noted and properly documented.

Councilman Blount motioned to approve a one-year contract extension with GFL for sanitation services: Second by Mayor Pro Tem Thomas. The motion failed 2-0-1 (Barber Abstained).

Councilwoman Gantt joined the meeting at 10:05 p.m.

Councilman Blount motioned to approve a one-year contract extension with performance improvement standards: Second by Councilwoman Gantt. The motion passed 3-0-1 (Barber Abstained).

ANNOUNCEMENTS OF UPCOMING MEETINGS & EVENTS

UPCOMING MEETINGS & ANNOUNCEMENTS: Council meetings will be held in the City Council Chamber. Meeting dates, locations and times are subject to change.

Please visit the city's website www.cityofstockbridge.com for the meeting invitation link, Facebook page or contact City Hall offices at 770-389-7900 for updates.

- Citywide Development Authority Meeting, 6:00 p.m. City Hall Levi Meeting Room 2nd Tuesday of each month (Dec 13)
- Planning Commission Meeting, Special Date - Thursday at 6:30 p.m. City Hall Council Chamber – (Dec 15)
- City Council Work Session Meeting, Special Date - Tuesday at 6:00 p.m. – City Hall Council Chamber (Dec 20)
- Downtown Development Authority Meeting, 6:00 p.m. Via Zoom - 3rd Tuesday of each month Via Zoom (Dec 20)
- Youth Council Advisory Committee Meeting, 6:30 p.m. - 3rd Tuesday of each month Levi Meeting Room - City Hall (Dec 20)
- City Council Meeting, 2nd Monday of each month – City Hall Council Chamber (Jan 9)
- Youth Council Meeting, 6:30 p.m. - 2nd Monday of each month City Hall Levi Meeting Room - City Hall (Jan 9)

- Main Street Advisory Board Meeting 2nd Friday of each month at 9:00 a.m. City Hall Levi Meeting Room (Jan 13)

UPCOMING CITY EVENTS/INITIATIVES

- *A Continuous Salute to Veterans*: Please forward pictures of Veterans including name, branch, rank, and years of service as Mayor Pro Tem Thomas presents a special tribute to our local veterans. Pictures should be submitted to: Rosalynd Rawls at rrawls@cityofstockbridge-ga.gov Thank you for your service!
- Please join Councilwoman Barber for FREE Zumba on every Saturday morning at Vivid Affairs Event Center located at 747 Davis Rd. Suite 400 Stockbridge at 8:00 a.m. Come out for FREE fitness!
- Here is your opportunity to *Meet the Mayor* and talk with Mayor Ford on Monday, December 19th from 10am to noon. Please contact Rosalynd Rawls to schedule an appointment at 678-833-3348 or via email at rrawls@cityofstockbridge-ga.gov

MAYOR'S COMMENTS (Mayor Anthony Ford)

Mayor Ford referenced the recently held Volunteer Appreciation Gala where the city thanked the volunteers who serve and support the city throughout the year, and thanked Mayor Pro Tem Thomas for taking the lead on the event; noted we are still in a pandemic and encouraged everyone to get COVID vaccinations and boosters and flu shots throughout the county and at the Henry County Health Department Monday – Friday 9am – 11:30am and 1pm – 2:30pm; noted COVID testing was available at Red Hawk Field Monday, Wednesday and Friday from 9am – 3pm; Mayor Ford wished everyone Happy Holidays, prosperity and good health, and to be safe, and wished everyone a happy new year.

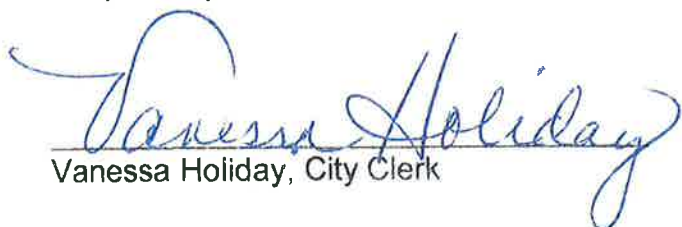
EXECUTIVE SESSION (Exemptions to the Georgia Open Meetings Acts)

Councilwoman Gantt motioned to convene Executive Session for Personnel: Second by Councilman Blount. The motion failed 2-1-1 (Thomas Opposed/Barber Abstained).

ADJOURNMENT

Mayor Pro Tem Thomas motioned to adjourn the meeting: Second by Councilwoman Gantt. The motion passed 4-0.

Respectfully submitted by:


Vanessa Holiday, City Clerk


Anthony S. Ford, Mayor



Where Community Connects

WORK SESSION MEETING SUMMARY MINUTES

TUESDAY, AUGUST 29, 2023 6:00 P.M.

Mayor & City Council

Mayor Anthony S. Ford At-Large
Mayor Pro Tem Yolanda Barber – Council District 4
Councilman Elton Alexander – Council District 5
Councilman John Blount – Council District 3
Councilwoman LaKeisha Gantt – Council District 1
Councilman Alphonso Thomas – Council District 2

Administration

Frederick Gardiner – City Manager
Vanessa Holiday – City Clerk
John Wiggins – City Treasurer
Quinton Washington – City Attorney

Mission: To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford.

Invocation by Mayor Ford

The Pledge of Allegiance was recited by all in attendance.

City Clerk, Vanessa Holiday was asked to proceed with a verbal roll call. All Members were present except Councilwoman Gantt.

Mayor Pro Tem Barber motioned to amend the Agenda to add a Discussion Item to request a Forensic Audit made by Mayor Pro Tem Barber; the motion failed due to the lack of a second.

Motion to approve the Agenda made by Councilman Blount; seconded by Councilman Alexander. The motion passed unanimously.

Review of the Draft Minutes – No Action

1. Review of the July 10, 2023 Minutes
2. Review of the July 18, 2023 at 9:00am Public Hearing Draft Minutes
3. Review of the July 18, 2023 at 6:00pm Public Hearing Draft Minutes
4. Review of the July 25, 2023 Work Session Minutes
5. Review of the July 27, 2023 Public Hearing Draft Minutes

PUBLIC COMMENTS

All persons wishing to speak for public comment must sign in with the City Clerk prior to the beginning of the meeting noting your name, address, and phone number. You will be allotted three (3) minutes. Speakers must respect all members of the elected body, officials, and staff. Defamation, unruliness and/or swearing will not be tolerated. There were no public comments.

PRESENTATION

6. Council Parks Master Plan Update
Presented by: Decius Aaron, Public Works Director, and Bryan Ball & Beverly Bell of TSW
Mr. Ball and Ms. Bell presented the Stockbridge Parks System Master Plan and asked for direction from the Council on moving forward.

The City Manager and Treasurer were tasked with locating funding sources and report back to the Mayor & Council for review to be able to identify projects that can be completed in Phase I.

CONSENT AGENDA

7. Council Consideration to approve a Resolution appointing Steaven Misher as the City Poet Laureate
8. Council consideration to allow the Economic Development Dept. to use the Merle Manders Conference Center (Rooms #1-4) on Saturday, October 7, 2023, from 9 am to 3 pm to host a Homeownership Seminar.

Motion to approve the Consent Agenda without objection made by Councilman Blount; seconded by Councilman Alexander. The motion passed unanimously.

NEW BUSINESS

9. Council consideration to approve Davis Road/Shields Road/Sentry Oaks intersection improvement plan options prepared by Falcon Design, LLC. Option 1 cost is estimated at \$26,730.00 and Option 2 cost estimated at \$35,090.00. Funding Source is from SPLOST V.
Presented by: Decius Aaron, Public Works Director
Motion to approve (4) Four Red Solar Powered Flashing Lights and Strips with Additional Signage not to exceed \$50,000.00 made by Mayor Pro Tem Barber; seconded by Councilman Alexander. The motion passed unanimously.
10. Council consideration to approve Task Order No. 2023.14 with Falcon Design – MLK Sr. Heritage Trail Community Stormwater and Pedestrian Improvements in the amount of \$360,000.00. The funding source is TSPLOST.
Presented by: Jeremy Goodwin, Assistant Public Works Director
Motion to approve made by Councilman Thomas; seconded by Councilman Alexander. The motion passed unanimously.

11. Council consideration of an amendment to the Emergency Building, Permitting & Inspection Services Agreement by and between Bureau Veritas North America, Inc., and the City of Stockbridge not to exceed 6 months.

Presented by: Ryan Anderson, Chief Planner

Motion to approve made by Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously.

12. Council consideration of Text Amendment Case #TX-2023-01 to approve and adopt new regulations for smoking establishments.

Presented by: Ryan Anderson

Motion to approve made by Councilman Blount; seconded by Councilman Alexander. The motion passed 3-0-1. (Alexander/Barber/Blount voted in favor; Thomas Abstained).

13. Council consideration to approve an Ordinance revising the job description for the Deputy City Clerk to align with the current organization of the city.

Presented by: Renee Wheeler

Attorney Washington recommended a motion from the Council to Table this item to September 11th noting he has not been able to locate legislation requiring an appointment and needs to research; the Clerk agreed there is no legislation.

Motion to Table to the September 11, 2023, meeting made by Councilman Blount; seconded by Councilman Alexander. The motion passed unanimously.

ANNOUNCEMENTS OF UPCOMING MEETINGS & EVENTS

UPCOMING MEETINGS & ANNOUNCEMENTS: Council meetings will be held in the City Council Chamber. Meeting dates, locations and times are subject to change or contact City Hall offices at 770-389-7900 for updates.

- Stockbridge Citizen-Police Advisory Council Meeting, 1st Thursday of each month - Police Precinct 4545 N. Henry Blvd. Community Meeting Room 6:00 p.m. (Sep 7)
- Main Street Advisory Board Meeting, 2nd Friday of each month – Welcome Center located at 130 M L King, Sr. Heritage Trail at 9am (Sep 8)
- City Council Meeting, 2nd Monday of each month at 6:00 p.m. – City Hall Council Chamber (Sep 11)
- Youth Council Meeting, 6:30 p.m. - 2nd Monday of each month - City Hall Levi Meeting Room - City Hall (Sep 11)
- Citywide Development Authority Meeting, 2nd Tuesday of each month 6:00 p.m. - City Hall Levi Meeting Room (Sep 12)
- Downtown Development Authority Meeting, 3rd Tuesday of each month Welcome Center 130 M L King, Sr. Heritage Trail (Sep 19)
- Youth Council Advisory Committee Meeting, 6:30 p.m. - 3rd Tuesday of each month Levi Meeting Room - City Hall (Sep 19)
- City Council Work Session Meeting, last Tuesday of each month at 6:00 p.m. – City Hall Council (Sep 26)

- Planning Commission Meeting, 6:30 p.m. - City Hall Council Chamber 4th Thursday of each month– (Sep 28)

UPCOMING CITY EVENTS/INITIATIVES

- Join us for this year's last Food Truck Tuesday today from 5:30 p.m. to 8:30 p.m. at Clark Community Park, 111 Davis Rd. Lots of great food and activities for everyone. The last Food Truck Tuesday Event for the 2023 Season is August 29th.
- Please join Councilman Alexander for a Community Clean Up on Saturday, September 9th from 9 a.m. to 11 a.m. Parking at Walmart 1400 Hudson Bridge Rd. Please contact Rosalynd Rawls for details: rrawls@cityofstockbridge-ga.gov or 678-833-3348.
- Please join the City of Stockbridge for its Annual 9/11 Remembrance. This annual remembrance will be held on Monday, September 11th, 2023, from 8:00 A.M. to 11 A.M. on the Stockbridge City Hall steps located at 4640 North Henry Boulevard, Stockbridge.
- Join Councilman Blount for Bingo Bash, Wednesday, September 20th from 10am – noon at the Merle Manders Conference Center located at 111 Davis Rd.
- Join Councilman Thomas for the 5th Annual First Responders Appreciation Drive-Thru Luncheon recognizing the dedication and sacrifice of Henry County's First Responders. The event will take place Thursday, September 21st from 11am – 2 pm at the Merle Manders Conference Center located at 111 Davis Rd.
- Join Mayor Ford for the monthly Meet the Mayor on Monday, September 25th from 10am – noon. Please contact Rosalynd Rawls to schedule an appointment at 678-833-3348 or via email at rrawls@cityofstockbridge-ga.gov
- Join Councilwoman Gantt in partnership with the Southern Crescent Pearls Foundation and AKA Sorority PSI Alpha Omega Chapter for the Bizness Matters Entrepreneur and Black Business Expo on Saturday, October 1st from 11am – 5pm at the Merle Manders Conference Center; contact for more information: paoblack365@psialphaomega.org
- Join Councilman Thomas for the Don't Trash Stockbridge initiative centered around education highlighting the causes and effects of Littering and Illegal Dumping. More information to follow.
- Councilman Thomas is honoring Veterans with a Continuous Salute all year long. Please send your pictures of Veterans with their name, branch, rank and years of service to rrawls@cityofstockbridge-ga.gov
- Mark your calendars to attend the Annual BridgeFest Festival on Saturday, September 30th. More details and information on the city's website and social media pages.

- Join the City of Stockbridge Police Department for a One-Day Hiring Event on Saturday, September 9th from 9am – 2pm at the Police Precinct located at 4545 N. Henry Blvd.
- Join Mayor Ford in Partnership with the Southern Crescent Women in Business for the 5th Anniversary Women in Business Conference & Pitch on Thursday, August 31st at 8am at the Merle Manders Conference Center.

Please get your tickets for the upcoming 2023 Stockbridge Concert Series by visiting stockbridgeamp.com or in person at the ticket office located at 4650 North Henry Blvd. Thursday – Saturday from 1pm – 5pm. The All White 70's Jam concert will take place this upcoming weekend. Be there!

MAYOR'S COMMENTS

Mayor Ford noted COVID-19 is still with us and a new variant is out, noting there has been an uptick in reported cases in Henry County, the State of Georgia, and throughout the United States; noted a new vaccine and booster is scheduled to be available within the next 30 days and encouraged everyone to get the vaccinations and boosters to stay healthy; noted today marks the 60th anniversary of the March on Washington and the historic I Have a Dream speech by Martin Luther King, Jr., and referenced the 1964 Civil Rights Act, the 1965 Voting Rights Act and the Nobel Peace Prize awarded Martin Luther King, Jr., and noted Stockbridge is the ancestral home of the King family; and wished everyone a safe and happy Labor Day.

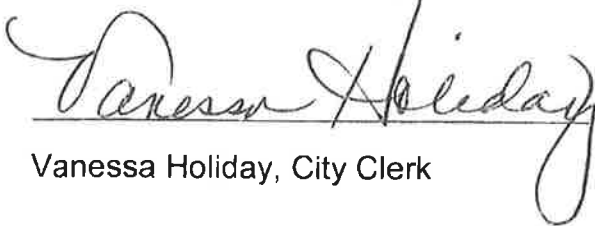
EXECUTIVE SESSION


N/A

ADJOURNMENT

Motion to adjourn made by Councilman Alexander; seconded by Councilman Blount. The motion passed unanimously.

Respectfully submitted by:


Vanessa Holiday, City Clerk


Anthony S. Ford, Mayor



Where Community Connects

WORK SESSION MEETING SUMMARY MINUTES

TUESDAY, NOVEMBER 28, 2023 6:00 P.M.

Mayor & City Council

Mayor Anthony S. Ford At-Large
Mayor Pro Tem Yolanda Barber – Council District 4
Councilman Elton Alexander – Council District 5
Councilman John Blount – Council District 3
Councilwoman LaKeisha Gantt – Council District 1
Councilman Alphonso Thomas – Council District 2

Administration

Frederick Gardiner – City Manager
Vanessa Holiday – City Clerk
Vacant – City Treasurer
Quinton Washington – City Attorney

Mission. To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford at 6:04 p.m.

Invocation by Councilwoman Gantt

The Pledge of Allegiance was recited by all in attendance.

City Clerk, Vanessa Holiday was asked to proceed with a verbal roll call. All Members were present except Councilman Blount.

Motion to amend the Agenda - to add Item # 11 – Transfer of Properties to the Citywide Development Authority made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed unanimously 4-0.

Motion to adopt the Agenda – Motion to adopt the Agenda made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed unanimously 4-0.

Review of Draft Minutes for the following meetings with no action:

1. Council Meeting Minutes October 9, 2023
2. Work Session Minutes October 30, 2023

PUBLIC COMMENTS

All persons wishing to speak for public comment must sign in with the City Clerk prior to the beginning of the meeting noting your name, address, and phone number. You will be allotted three (3) minutes. Speakers must respect all members of the elected body, officials, and staff. Defamation, unruliness and/or swearing will not be tolerated. There were no public comments.

PRESENTATION

3. Presentation - Transportation Improvement Project for Valley Hill Road.
Presented by: Decius Aaron, Public Works Director and
Frederick Gardiner, City Manager
Mr. Gardiner referenced a meeting with the County Manager, noting the County did an assessment of the deteriorating roads and agreed to a partnership for road improvements.

Mayor Pro Tem Barber expressed her support of the collaboration and requested the full assessment.

Councilman Alexander commended Mayor Pro Tem Barber and Commissioner Robinson for working together on infrastructure improvements.

Mr. Aaron stated he would provide the road assessment reports as requested.

Motion to approve collaboration between the City of Stockbridge and Henry County to repave sections of Valley Hill Road – 50/50 Split with the County - \$200,000 each entity with the City utilizing SPLOST funds made by Mayor Pro Tem Barber; seconded by Councilman Alexander. The motion passed unanimously 4-0.

4. Presentation - Improved Service Delivery for Building and Development Inspections. Presented by: Ryan Anderson, Chief Planner
Mr. Anderson noted the Engineering positions would remain with the contractors as they are providing excellent service, and that the Building Official, Building Inspector and Permit Technician positions would be brought in-house in the Community Development Department.

Councilman Thomas referenced the request and presentation he presented to Council for this action and is glad to see that this is now moving forward.

Motion to authorize staff to move forward with Improved Service Delivery for Building and Development Inspections positions in the Community Development Department made by Councilwoman Gantt; seconded by Councilman Thomas. The motion passed unanimously 4-0.

5. Presentation – Potential future development of area under an approved Master Plan that will provide for the coordinated growth of a new mixed-use project.

Presented by: Frederick Gardiner, City Manager

Mr. Gardiner presented Patrick Henry Master Plan noting an opportunity to develop the Southern Crescent; noted the city has been working with property owners in the area with a portion already dedicated for development with several entities expressing interest and will include public/private partnerships; noting this would be a huge win for the southside, with the goal of adoption by the Planning Commission and Governing Body.

Councilman Alexander noted the proposed Master Plan will change the map for Stockbridge, and the standards will be those presented in the rendering.

Councilwoman Gantt expressed excitement, noting this is very much needed for the City.

Councilman Thomas stated the presentation was great and is in favor.

Mayor Ford noted the Master Plan would be presented to the Planning Commission in February and to the Governing Body in March 2024.

No Action Taken.

6. Presentation – Proposed Streetlight Assessment Program (3 Options)

Presented by: Decius Aaron, Public Works Director

Mr. Aaron presented options for streetlights in the city, noting costs are escalating, and the County is turning the subdivisions previously in the county over to the city. Option 1 – (Shared Cost by every Parcel)

Option 2 (City pays for lights on major thoroughfares, shared cost by every parcel in subdivisions/neighborhoods). Option 3 (City pays 100% costs).

Mr. Aaron noted the current cost is \$850,000 and that number does not include the newly annexed areas.

Motion to approve Option 2 – The City pays for streetlights on major thoroughfares and intersections and residents pay for streetlights in neighborhoods and subdivisions. Homeowners not located in a neighborhood or subdivision would be considered as if they were on a major thoroughfare; staff shall return the assessment to Council for final approval made by Councilwoman Gantt; seconded by Mayor Pro Tem Barber. The motion passed unanimously 4-0.

7. Presentation – Proposed SPLOST VI List.
Presented by: Frederick Gardiner, City Manager and
Decius Aaron, Public Works Director
Mr. Gardiner referenced the timeline and meeting dates and noted an IGA (Intergovernmental Agreement) will need to be in place; discussion included meetings with the City Managers from sister cities sooner to agree upon a percentage; talk with citizens to get their buy in; and include the item on the February 2024 Retreat Agenda to prioritize and categorize projects.

PUBLIC HEARING

8. Second Reading of the Proposed FY2024 Operating Budget and Capital Expenditures.
Presented by: Frederick Gardiner, City Manager
Mr. Gardiner presented an overview of the proposed FY2024 Operating Budget and Capital Expenditures, noting the city's growth, and the costs associated with providing services to the current and future residents and businesses throughout the city; and the importance of investing and making renovations and improvements where needed to remain competitive; fielded questions and comments from the Council including Other Fees and Taxes, Hotel/Motel Tax, Sanitation, Subsidizing the Merle Manders Conference Center and developing a strategy or marketing plan to help offset expenses; noted the increase in businesses in the downtown spurred from the Amphitheater, and businesses associated with the lottery due to the increase in population; discussion from the Council included a referenced to the proposed Other Fees and Taxes line item being drastically lower than 2024, where Mr. Gardiner's response was that the 2023 numbers had been overstated; Councilman Alexander noted the transfer to offset the expenses of the Conference Center is excessive and there needs to be changes to better market the facility and reduce expenses; Mayor Pro Tem Barber recommended the city engage in more partnerships and requested the Auditor's Engagement Letter and Budget Adjustments and Audit Adjustment Reports for 2022; Councilman Thomas noted the City Events should place more emphasis on the intention of the event; and noted the budget report numbers were low in comparison and requested a more current YTD2023 Budget Report for comparison to the proposed FY2024 budget. Mr. Gardiner confirmed, noting the reports contains YTD numbers through July 2023.
Public Hearing Opened. No opponents spoke in favor. Speakers Opposed: Tasha Kemple.
Public Hearing Closed.
No Action Taken. Next Reading and Adoption Scheduled for December 11, 2023 at 6:00 p.m.

NEW BUSINESS

9. Council consideration to approve Site Engineering, Inc. to perform the water utilities relocation for the Georgia Department of Transportation State Route 138 and State Route 42 project (PI 322050) under the City's Annual Contractor Agreement in amount of \$239,832.50. The funding source is from SPLOST V.

Presented by: Decius Aaron, Public Works Director
Motion to approve made by Councilwoman Gantt; seconded by Mayor Pro Tem Barber. The motion passed unanimously 4-0.

10. Council review and consideration of Property Tax Homestead Exemption Plan and Ordinance for 2025.

Presented by: Frederick Gardiner, City Manager

Mr. Gardiner noted the Council's request to mirror the Henry County exemptions that would take effect January 2025 following approval by the Council and submission to the Local Delegation for approval by the General Assembly and a ballot referendum; noted the 3.77 mil assessed by the Council and the proposed exemptions could cause a \$200,000 gap if implemented as proposed; discussion of the Septic Exemption where staff was tasked with bringing an assessment to the Council for approval and an overall cafeteria list of exemptions for Council consideration and approval.

11. Council consideration to transfer city property parcel ID No. 032-010-30015 (North Park) to the Citywide Development Authority for development.

Presented by: Frederick Gardiner, City Manager

Motion to approve w/two-year claw back included made by Councilwoman Gantt; seconded by Councilman Alexander. The motion passed 3-0-1 (Alexander, Gantt and Thomas Approved) (Baber Abstained).

ANNOUNCEMENTS OF UPCOMING MEETINGS

UPCOMING MEETINGS & ANNOUNCEMENTS: Council meetings will be held in the City Council Chamber. Meeting dates, locations and times are subject to change or contact City Hall offices at 770-389-7900 or the website www.stockbridgega.org for updates.

- Stockbridge Citizens-Police Advisory Council meeting 1st Thursday of each month at 6:00 p.m. at the Stockbridge Police Community Room 4545 N. Henry Blvd. (Dec 7)
- Main Street Advisory Board Meeting, 2nd Friday of each month – Welcome Center located at 130 M L King, Sr. Heritage Trail at 9am (Dec 8)
- City Council Meeting, 2nd Monday of each month at 6:00 p.m. – City Hall Council Chamber (Dec 11)
- Adoption of the Proposed FY2024 Operating Budget – Public Hearing at 6:00 p.m. – City Hall Council Chamber (Dec 11).
- Youth Council Meeting, 6:30 p.m. - 2nd Monday of each month - City Hall Levi Meeting Room - City Hall (Dec 11)
- Citywide Development Authority Meeting, 2nd Tuesday of each month at 6:00 p.m. - City Hall Levi Meeting Room (Dec 12)
- Downtown Development Authority Meeting, at the Welcome Center 130 M L King, Sr. Heritage Trail – Rescheduled Date (Dec 19)
- Planning Commission Meeting, 6:30 p.m. - City Hall Council Chamber – Dec/Jan Meetings to be announced.

- City Council Work Session Meeting, last Tuesday of each month at 6:00 p.m. – City Hall Council (Dec 19)
- Youth Council Advisory Committee Meeting, 6:30 p.m. -3rd Tuesday of each month Levi Meeting Room - City Hall (Dec 19)

UPCOMING CITY EVENTS/INITIATIVES


- Councilman Thomas wants the community to be safe during the holiday season and will be distributing FREE Smoke Detectors to the community. Date and Location to be announced. Stay tuned for more information.
- Join Mayor Ford for the monthly Meet the Mayor on Monday, December 18th from 10am – noon. Please contact Rosalynd Rawls to schedule an appointment at 678-833-3348 or via email at rrawls@stockbridgega.org.
- Join Councilman Thomas for the *Don't Trash Stockbridge* initiative centered around education highlighting the causes and effects of Littering and Illegal Dumping. More information to follow.
- Councilman Thomas is honoring Veterans with a Continuous Salute all year long. Please send your pictures of Veterans with their name, branch, rank, and years of service to rrawls@stockbridgega.org.
- The City's Annual Holiday and Tree Lighting Festival is scheduled to take place on Friday, December 1st from 5:30 – 9:00 p.m. at the Stockbridge Amphitheater Parking Lot. However, the event may be rescheduled due to the threat of rain. Stay tuned to the city's Facebook page and website for updates.

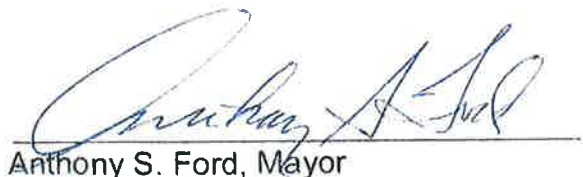
MAYOR'S COMMENTS

Mayor Ford noted COVID-19 is still actively among us and encouraged everyone to get vaccinated, get boosters and flu shots and stay healthy; offered condolences to the Carter family for the recent passing of former first lady Rosalynn Carter, who was a great humanitarian, and asked that everyone keep the Carter family in prayer; noted Early Voting for District 2 Commissioner was underway at the Merle Manders Conference Center, with the Special Election Runoff Day on December 5th; hoped everyone enjoyed their Thanksgiving holiday with friends and family; congratulated the Atlanta Falcons with the win over the New Orleans Saints; noted the upcoming SEC Championship game between Alabama and the Georgia at the Mercedes Benz Stadium this Saturday; referenced an outstanding performance by the Lighthouse Jr. Choir and Dance Team that took place last Saturday at the Merle Manders Conference Center, and thanked State Representative Angela Moore and El Mahdi Holly for inviting the group to perform in Stockbridge; and noted the city Holiday Festival is scheduled to take place this Friday, but to stay tuned due to approaching bad weather..

Motion to adjourn made by Councilman Thomas; seconded by Councilwoman Gantt. The motion passed unanimously 4-0. The meeting adjourned at 8:42 p.m.

Respectfully submitted by:


Vanessa Holiday, City Clerk


Anthony S. Ford, Mayor

