



**Utility Commission
City of Fort Valley, Georgia**

**(A Discretely Presented Component Unit of the
City of Fort Valley, Georgia)**

**Annual Comprehensive Financial Report
For the Years Ended
September 30, 2021 and 2020**

**Prepared By:
Finance Department
Cathy Johnson, Director, Financial and Administrative Services**

Utility Commission
City of Fort Valley, Georgia
Comprehensive Annual Financial Report
For the Years Ended September 30, 2021 and 2020

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(Unaudited)

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INTRODUCTORY SECTION



FORT VALLEY UTILITY COMMISSION

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May 16, 2022

To the Utility Commissioners and the Customers of the Utility Commission:

This Annual Comprehensive Financial Report (ACFR) of the Utility Commission, City of Fort Valley, Georgia (the Utility Commission) for the fiscal years ended September 30, 2021 and 2020, is submitted herewith pursuant to the State of Georgia Statutes, 36-81-7.

The staff of the Utility Commission's Department of Finance prepared this ACFR. Responsibility for the accuracy of the data and the completeness and reliability of the presentation, including all disclosures, rests with the Utility Commission, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Utility Commission and that all disclosures necessary to enable the readers to gain the maximum understanding of the Utility Commission's financial activity have been included.

The Utility Commission's financial statements have been audited by Butler, Williams & Wyche, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Utility Commission for the fiscal years ended September 30, 2021 and 2020 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 Utility Commission's financial statements for the fiscal years ended September 30, 2021 and 2020, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of 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 Utility Commission's MD&A can be found immediately following the report of the independent auditors.

Profile of the Commission

The **Town of Fort Valley** was originally chartered in 1853. In 1890, the Georgia General Assembly chartered (as amended and supplemented from time to time, the "Commission Charter") the "**Board of Commissioners of Water and Sewers**" which was formed after a referendum and election of the first Commissioners of such Board.

In 1909, an act of the Georgia General Assembly amended the Commission Charter (the "1909 Commission Charter Amendment") to reincorporate the Board of Commissioners of Water and Sewers as the "**Board of Water and Light Commissioners**". The incumbent Board of Commissioners of Water and Sewers were designated as members of the new board, with specific provisions for future elections to four-year terms on a staggered basis.

In 1945, an act of the Georgia General Assembly amended the Commission Charter (the “1945 Commission Charter Amendment”) to reaffirm and expand the Board of Water and Light Commissioners’ authority and control over utility proceeds. The 1945 Commission Charter Amendment gave the Board of Water and Light Commissioners express authority to decide whether any utility funds would be used for general City purposes and to determine how much utility revenue should be retained for the construction, maintenance, and repair of the system. The 1945 Commission Charter Amendment also gave the Board of Water and Light Commissioners sole authority to determine whether the public utilities in Fort Valley should be extended, and if so, how such extension should occur.

In 1953, an act of the Georgia General Assembly further amended the Commission Charter (the “1953 Commission Charter Amendment”) to reincorporate the Board of Commissioners of Water and Sewers as the “**Utility Commission**”.

In 1954, the Mayor and Council enacted the Ordinance authorizing the Acquisition and Construction of a Gas System. The bond obligations issued to finance the construction of the natural gas system were subsequently paid in full (1983). The natural gas distribution system is currently unencumbered.

In 1999, the charter was amended under Home Rule provisions to provide full power and authority to own and operate a telecommunications systems network. This includes power to serve consumers within and outside the corporate limits of the city.

In 2019, the Georgia General Assembly took additional steps to codify and ensure the Commission’s financial, legal, and operational autonomy from the City by passing House Bill 685 (“HB 685”). HB 685 reaffirms that the Commission is “a body corporate” with “the right to sue and be sued and power to make all contracts and obligations necessary or convenient to discharge the duties that devolve upon it.” HB 685 further reaffirms that the Commission is, as the 1945 Commission Charter Amendment stated, in complete control of “revenues realized from utility rents, fees, dues, or rates.” HB 685 reiterates that “[n]othing in this Act shall impair or otherwise interfere with the commission’s rights to existing utility funds, including those funds held at or by the Municipal Electric Authority of Georgia,” and that any other transfers of funds “derived from the operation of utilities under the commission,” whether held by the Commission or elsewhere, would have to be specifically approved by the Commission.

Finally, at the Utility Commission’s request, HB 685 codified a fixed sum monthly payment in lieu of franchise fees that the City may use for general fund purposes. The Commission requested this provision to ensure that the City would receive appropriate, but predictable and limited, financial support from the Commission.

The Utility Commission has no taxing authority. Operational and maintenance costs are funded from customer fees and charges. The acquisition and construction of capital assets are funded by capital (cash and systems) contributions from customers, including developers and political subdivisions of the state of Georgia, Federal and State grants, subsidies and loans, and customer revenues.

The Mission

The mission of the Utility Commission is to provide quality utility service to all users in its customer service area at the best possible rates; to provide long-range planning for upgrades and modernization of utility facilities, infrastructure, and equipment; and, to take advantage of the latest usable and practical technology. Our Mission Statement serves as the foundation for the Utility Commission’s Strategic Plan, the operational and financial initiatives of our departments and functions, and the performance and development for our employees and systems. The comprehensive annual financial report is one of many tools used to communicate historical financial conditions and performance results.

The Utility Commission's administrative offices are located in Fort Valley, Georgia, the capital seat of Peach County. The Utility Commission is located in the geographic area known as "Middle Georgia," approximately 100 miles south of Atlanta, Georgia.

The electric, water, sewer, natural gas, and telecom systems are managed and operated by the Utility Commission. The Utility Commission provides utility services primarily to the City of Fort Valley and unincorporated Peach County. Also, natural gas service is provided to a portion of Crawford County and water service is provided to a portion of Macon County.

Local Economy

The City of Fort Valley (the City) and a portion of Peach County (the County) are the primary service delivery areas for the Utility Commission.

The County reports a 2020 estimated median household income of \$50,267. This amount compares to the state's estimated household income of \$61,224. The County's estimated population is 28,417. The median age is 38. The unemployment rate is 3.7%.

Major Initiative

There were two major initiatives that the Utility Commission worked on in 2020 and 2021.

- Elevated storage tank, new well, and chemical feed building
- Gas Main Replacement – Park Ave

The project is described below.

Elevated Storage tank, new well, and chemical building The Utility Commission commenced construction on a 300,000-gallon elevated storage tank, a new well, and a chemical feed building. This project's purpose is to supply fire protection and increase water pressure on the Fort Valley State University campus.

Gas Main Replacement – Park Ave 3,400 feet of steel gas main was replaced with polyethylene piping on Park Ave, Fort Valley, Ga.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Utility Commission. Credit must also be given to the Utility Commissioners and the Utility Commission's General Manager for their unfailing support of maintaining the highest standards of professionalism in the management of the Utility Commission and in the stewardship of its financial resources.

Respectively submitted,



Cathy Johnson
Director, Financial and Administrative Services

***Utility Commission
City of Fort Valley, Georgia
(A Discretely Presented Component Unit of the City of
Fort Valley, Georgia)***

Elected and Appointed Utility Commissioners

Chairman Alre' Horton

At-Large Seat – Post 3

In office since January 2018

Current term expires December 2021

Stephen Lindsey

West Ward – Post 2

*Current term expires December
2023*

Rose Marie Huff-Thompson

At-Large Seat – Post 4

In office since January 2020

*Current term expires December
2023*

Vacant

East Ward – Post 1

*Current term expires December
2021*

Mayor Barbara B. Williams

Ex-Officio Member

In office since January 2014

*Current term expires December
2021*

Joe Mathews

Crawford County - Appointed

Current term expires June 2025

Ned Watson

Peach County - Appointed

Current term expires June 2025

Darrel West

Peach County - Appointed

Current term expires June 2025

***Utility Commission
City of Fort Valley, Georgia
(A Discretely Presented Component Unit of the City of
Fort Valley, Georgia)***

Appointed Officials

Vacant	General Manager CEO
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Utility Commission Staff

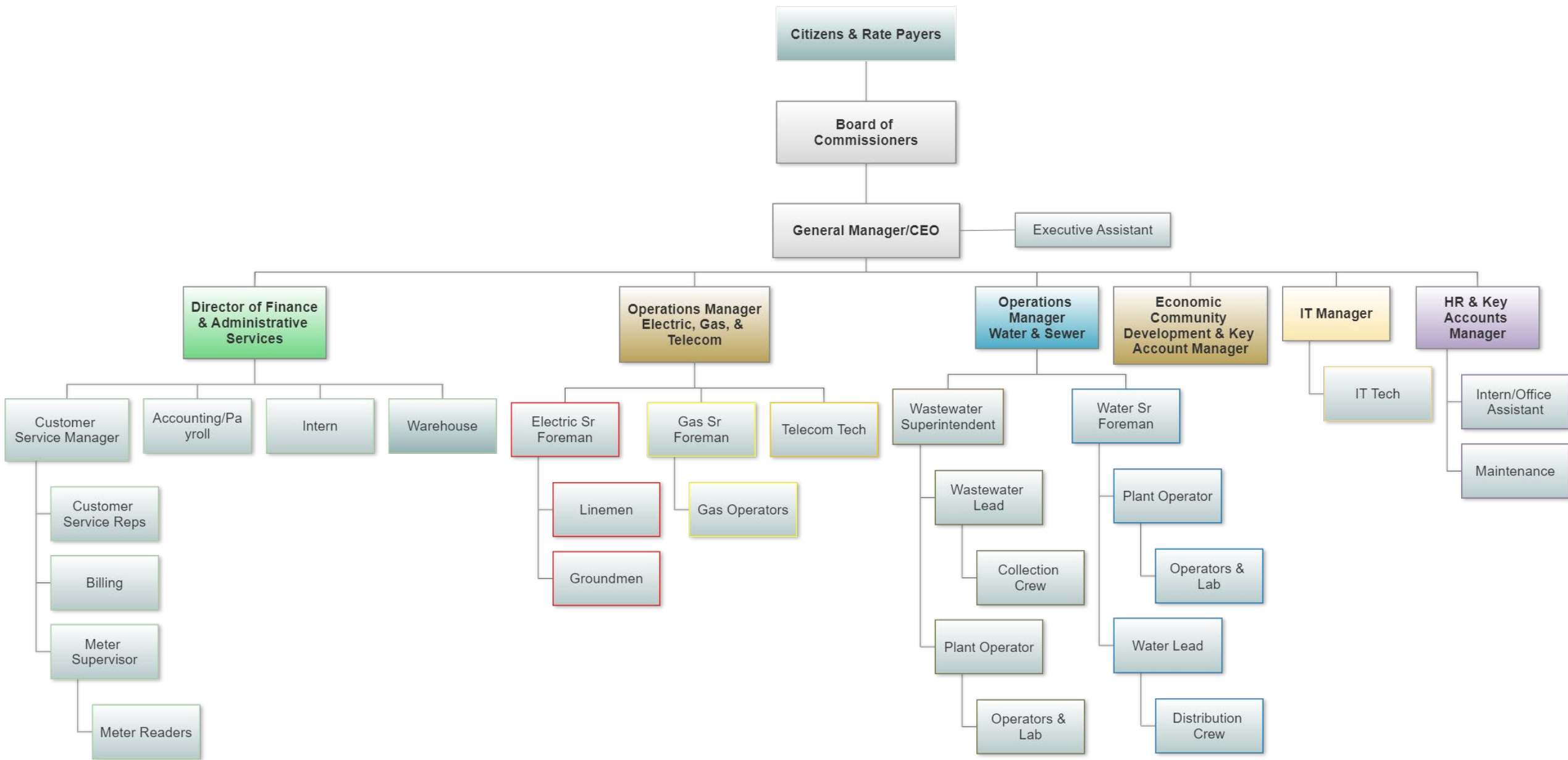
Vacant	Operations Manager – Electric, Gas, Telecom
Clay Walker	Operations Manager – Water, Wastewater, Plants
Susan Miles	Customer Service Manager
Martha McAfee	Economic Community Development Manager
Zac Gowen	IT Manager
Cathy Johnson	Director of Financial & Administrative Services
Pentronia Burch	HR/Key Accounts Manager

Finance Department

Pam Lee	Billing Coordinator
Karina Ceballos	Staff Accountant
Carol Cutchen	Accounting & Billing Coordinator
Alvin Wallace	Warehouse and Purchasing Agent

Advisors/Consultants

Charles Jones, Attorney Butler, Williams & Wyche, LLP Carter & Sloope, Inc.	General Counsel Independent Auditors Consulting Engineers
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FINANCIAL SECTION

BUTLER, WILLIAMS & WYCHE, LLP
CERTIFIED PUBLIC ACCOUNTANTS
5223 RIVERSIDE DRIVE
MACON, GEORGIA 31210

May 16, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of the Utility Commission
City of Fort Valley, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Utility Commission, a component unit of the City of Fort Valley, Georgia, as of and for the years ended September 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Utility Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Utility Commission, as of September 30, 2021 and 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 3 through 11), the Schedule of Changes in the Net Pension Liability and Related Ratios (page 36 through 37) and the Schedule of Contributions (page 38 through 39) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Utility Commission's, a component unit of Fort Valley, Georgia, basic financial statements. The introductory section, supplementary information and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the 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 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The supplementary information and schedules and the schedule of expenditures of federal awards (collectively, "supplemental information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 16, 2022 on our consideration of the Utility Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Utility Commission's internal control over financial reporting and compliance.



Macon, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Utility Commission's, City of Fort Valley, Georgia (the Utility Commission) annual comprehensive financial report, the Utility Commission's management is pleased to provide this narrative discussion and analysis of the financial activities of the Utility Commission for the fiscal years ended September 30, 2021 and 2020. The Utility Commission's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Utility Commission's assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources by \$51,623,875 (total net position) at September 30, 2021 and \$47,948,706 (total net position) at September 30, 2020.
- Total net position is comprised of the following:
 - Net investment in capital assets of \$38,936,990 at September 30, 2021 and of \$36,716,774 at September 30, 2020, includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - Restricted net position at September 30, 2021 is \$2,927,361 as compared to \$2,925,386 at September 30, 2020.
 - Unrestricted net position of \$9,759,524 at September 30, 2021 and of \$8,306,546 at September 30, 2020, represents the portion available to maintain the Utility Commission's continuing obligations to citizens and creditors.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Utility Commission's basic financial statements. The basic financial statements include: (1) comparative statement of net position, (2) comparative statement of revenues, expenses, and changes in net position (3) comparative statement of cash flows, and (4) notes to the basic financial statements. The Utility Commission also includes in this report additional information to supplement the basic financial statements.

The Utility Commission is a single enterprise fund although it provides a variety of utility services. Services are provided to customers external to the Utility Commission organization for electric, gas, water, sewer, and telecom utilities.

The comparative statement of net position includes all of the Utility Commission's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position, and provides information about the nature and amounts of investments in assets and the obligations to the Utility Commission creditors. It also provides the basis for computing the rate of return, evaluating the capital structure of the Utility Commission, and assessing the liquidity and financial flexibility of the Utility Commission.

All of the current year and prior years' revenues and expenses are accounted for in the comparative statement of revenues, expenses, and changes in net position. This statement measures the success of the Utility Commission's operations over the past two years and can be used to determine whether the Utility Commission has successfully recovered all its costs through its user fees and charges. This statement measures the Utility Commission's profitability and creditworthiness.

The third required financial statement is a comparative statement of cash flows. The primary purpose of this statement is to provide information about the Utility Commission's cash receipts and cash disbursements during the past two years. This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operations, financing, and investing activities, and provides answers to such questions as "where did cash come from, what was cash used for, and what was the change in the cash balances during the past two years?"

The basic enterprise fund financial statements are presented on pages 12, 13, 14, and 15 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the Utility Commission's basic financial statements. The notes to the basic financial statements begin on page 16 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Utility Commission's pension plan. This information begins on page 36.

Other Supplementary Information

In addition to the basic financial statements, accompanying notes and required supplementary information, this report also presents certain supplementary information concerning the Utility Commission's operating revenues and expenses before and after our cost allocations and the budget to actual presentations. This information begins on page 42.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) Utility Commission, City of Fort Valley, Georgia
As of and For The Years Ended September 30, 2021 and 2020

Financial Analysis of the Utility Commission

The Utility Commission's total net position at September 30, 2021 is \$51,623,875; \$47,948,706 at September 30, 2020; and \$43,674,912 at September 30, 2019. The following table provides a summary of the Utility Commission's net position:

Summary of Net Position

	September 30, 2021		September 30, 2020		September 30, 2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Assets:						
Current assets	\$ 14,195,729	23%	\$ 12,572,137	23%	\$ 11,247,958	22%
Noncurrent assets:						
Restricted assets	2,927,362	5%	2,925,386	5%	2,874,075	6%
Capital assets	43,799,417	71%	39,035,338	71%	35,938,154	71%
Total assets	60,922,508		54,532,861		50,060,187	
Deferred outflows of resources	528,979	1%	678,302	1%	402,264	1%
Total assets and deferred outflows of resources	61,451,487	100%	55,211,163	100%	50,462,451	100%
Liabilities:						
Current liabilities	4,985,416	51%	2,799,518	39%	2,459,613	36%
Noncurrent liabilities	4,546,807	46%	4,215,840	58%	3,692,392	54%
Total liabilities	9,532,223		7,015,358		6,152,005	
Deferred inflows of resources	295,389	3%	247,099	3%	635,534	9%
Total liabilities and deferred inflows of resources	9,827,612	100%	7,262,457	100%	6,787,539	100%
Net position:						
Net investment in capital assets	38,936,990	75%	36,716,774	77%	33,265,590	76%
Restricted	2,927,361	6%	2,925,386	6%	2,874,075	7%
Unrestricted	9,759,524	19%	8,306,546	17%	7,535,247	17%
Total net position	\$ 51,623,875	100%	\$ 47,948,706	100%	\$ 43,674,912	100%

The Utility Commission continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio at September 30, 2021 is 2.85 to 1; 4.49 to 1 at September 30, 2020; and 4.57 to 1 at September 30, 2019. These ratios are strong.

The Utility Commission reported positive balances in total net position at September 30, 2021, 2020, and 2019. Total net position increased \$3,675,169 in fiscal year 2021, \$4,273,794 in fiscal year 2020 and by \$851,640 in fiscal year 2019. Note that 75%, 77 and 76% of total net position is classified as "net investment in capital assets," for each of the respective years presented. The Utility Commission uses these capital assets to provide utility services and these assets generate revenues for this fund. See the following table for a summary of changes in total net position for business-type activities.

Summary of Changes in Total Net Position

	Fiscal Year 2021		Fiscal Year 2020		Fiscal Year 2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Operating Revenues						
Charges for services	\$ 23,438,465	97%	\$ 22,540,834	93%	\$ 23,664,775	97%
Miscellaneous	804,526	3%	1,630,214	7%	635,203	3%
Total Operating Revenues	<u>24,242,991</u>	<u>100%</u>	<u>24,171,048</u>	<u>100%</u>	<u>24,299,978</u>	<u>100%</u>
Operating Expenses						
Personal services	4,075,820	18%	4,403,221	19%	4,007,100	17%
Purchased services	3,510,792	16%	3,615,835	16%	3,976,063	17%
Materials and supplies	315,743	1%	336,269	1%	451,603	2%
Repairs and maintenance	719,286	3%	765,775	3%	868,909	4%
Gas and electric purchased for resale	12,220,066	55%	12,144,696	53%	12,922,941	55%
Depreciation	1,464,675	7%	1,445,984	6%	1,354,148	6%
Miscellaneous	(58,825)	0%	113,206	0%	98,440	0%
Total Operating Expenses	<u>22,247,557</u>	<u>100%</u>	<u>22,824,986</u>	<u>100%</u>	<u>23,679,204</u>	<u>100%</u>
Operating Income	<u>1,995,434</u>		<u>1,346,062</u>		<u>620,774</u>	
Nonoperating Revenues (Expenses)						
Interest and fiscal charges	(50,983)		(55,398)		(60,505)	
Gain/(Loss) on disposition of capital assets	-		-		6,460	
Investment earnings	2,784		108,805		284,911	
Total Nonoperating Revenues (Expenses)	<u>(48,199)</u>		<u>53,407</u>		<u>230,866</u>	
Income Before Capital Contributions	1,947,235		1,399,469		851,640	
Capital Contributions	<u>1,727,934</u>		<u>2,874,325</u>		<u>-</u>	
Change in Net Position	3,675,169		4,273,794		851,640	
Net Position Beginning of Year, restated	<u>47,948,706</u>		<u>43,674,912</u>		<u>42,823,272</u>	
Net Position End of Year	<u>\$ 51,623,875</u>		<u>\$ 47,948,706</u>		<u>\$ 43,674,912</u>	

Financial Analysis of the Utility Commission's Operations

Fiscal Year 2021 Analysis (After Cost Allocations)

Overall Analysis – Total operating revenues increased \$71,943. Operating expenses decreased \$577,429. In total, the operating income increased \$649,372. The increase in net position was caused by construction in progress expenses for the USDA Water Tower Project and an increased account receivable balance due to a disconnect moratorium.

After all cost allocations, the operating income (loss) for each utility was as follows:

	<u>Amount</u>
Electric	\$ 1,534,246
Gas	697,185
Water	153,810
Sewer	(456,307)
Telecom	66,500

The following includes an analysis of the fiscal year 2021 financial activities for each utility.

Electric Utility – The operating income of \$1,534,246 in fiscal year 2021 compares to an operating income of \$1,466,054 in fiscal year 2020. This is an increase of \$68,192.

The fiscal year 2021 operating revenues decreased \$529,063 from fiscal year 2020. Fiscal year 2020 included true-up from MEAG of the Year-End Settlements after litigation.

Operating expenses decreased \$597,255. Vacant positions led to a decrease of \$120,964 in personal costs and purchased for resale expenses were \$319,971 less than fiscal year 2020.

Natural Gas Utility – The operating income of \$697,185 in fiscal year 2021 compares to an operating income of \$655,340 in fiscal year 2020. This is an increase of \$41,845.

The fiscal year 2021 operating revenues increased \$295,394 from fiscal year 2020. This increase was due to an increase in the market rate charged to customers based on the industry-wide market rate increase.

Operating expenses increased \$253,549. The increase was due to higher wholesale gas prices.

Water Utility – The operating income of \$153,810 in fiscal year 2021 compares to an operating loss of \$192,989 in fiscal year 2020. The is an increase of \$346,799.

The fiscal year 2021 operating revenues increased by \$195,934 from fiscal year 2020. This increase was due to an 3.5% increase in consumption.

Operating expenses decreased \$150,865. The largest decrease was in personal costs due to vacant positions.

Sewer Utility – For the twenty-second year in a row, the sewer utility reported an operating loss, this year \$456,307 as compared to last years' operating loss of \$590,993.

Operating revenues increased by \$94,739 from fiscal year 2020. This increase was due to an 8.7% increase in consumption.

Total operating expenses decreased by \$39,947 over fiscal year 2020. The largest decrease was in personal costs due to vacant positions.

Telecom – The operating income of \$66,500 in fiscal year 2021 compares to an operating income of \$8,650 in fiscal year 2020. Operating revenues in fiscal year 2021 were \$14,939 more than fiscal year 2020. Operating expenses decreased \$42,911 from fiscal year 2020. Personal services decreased \$33,981 due to vacant positions.

Financial Analysis of the Utility Commission's Operations

Fiscal Year 2020 Analysis (After Cost Allocations)

Overall Analysis – Total operating revenues decreased \$128,930. Operating expenses decreased \$854,218. In total, the operating income increased \$725,288. The increase in net position was caused by capital contributions of two projects, a decrease in expenses, and MEAG Year-End-Settlements distributed after litigation.

After all cost allocations, the operating income (loss) for each utility was as follows:

	<u>Amount</u>
Electric	\$ 1,466,054
Gas	655,340
Water	(192,989)
Sewer	(590,993)
Telecom	8,650

The following includes an analysis of the fiscal year 2020 financial activities for each utility.

Electric Utility – The operating income of \$1,466,054 in fiscal year 2020 compares to operating income of \$835,049 in fiscal year 2019. This is an increase of \$631,005. Although charges for services for fiscal year 2020 was \$248,987 less than fiscal year 2019, \$706,706 in miscellaneous income was received for the FY2017 and FY2018 MEAG Year-End-Settlement held during litigation. The miscellaneous income contributed to the increase in operating income.

The fiscal year 2020 operating revenues increased \$681,286 from fiscal year 2019.

Operating expenses increased \$50,281.

Natural Gas Utility – The operating income of \$655,340 in fiscal year 2020 compares to operating income of \$493,724 in fiscal year 2019. This is an increase of \$161,616. Although charges for services for fiscal year 2020 was \$685,165 less than fiscal year 2019, the reduction in cost of goods sold (purchased for resale) contributed to the increase in operating income.

The fiscal year 2020 operating revenues decreased \$676,929 from fiscal year 2019. This decrease was due to wholesale gas prices being lower in fiscal year 2020 compared to fiscal year 2019.

Operating expenses decreased \$838,545. The largest reduction was in cost of goods sold (purchased for resale). COG decreased \$726,630 in fiscal year 2020 compared to fiscal year 2019. The decrease was due to lower wholesale gas prices.

Water Utility – The operating loss of \$192,989 in fiscal year 2020 compares to an operating loss of \$137,511 in fiscal year 2019. The increased loss of \$55,478 was due to a decrease in charges for services of \$83,287.

The fiscal year 2020 operating revenues decreased \$75,824 from fiscal year 2019. This decrease was due to a 3.6% reduction in consumption.

Operating expenses decreased \$20,346.

Sewer Utility – For the twenty-first year in a row, the sewer utility reported an operating loss, this year \$590,993 as compared to last years' operating loss of \$682,232.

Operating revenues increased \$5,103 from fiscal year 2019. Charges for services decreased \$42,262 with a 1% reduction in consumption.

Total operating expenses decreased \$86,136 over fiscal year 2019. There was a decrease in purchased services by \$112,715.

Telecom – The operating income of \$8,650 in fiscal year 2020 compares to an operating income of \$111,744 in fiscal year 2019. Operating revenues in fiscal year 2020 were \$62,569 less than the fiscal year 2019 amount. Operating expenses increased \$40,528 from fiscal year 2019. Charges for services decreased \$64,202 in fiscal year 2020 due to a decrease in customer subscriptions.

Capital Assets and Debt Administration

Capital Assets

The Utility Commission's investment in capital assets, net of accumulated depreciation, as of September 30, 2021, 2020, and 2019 was \$43,799,417, \$39,035,338 and \$35,938,154 respectively. See Note 3-C for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Capital Assets					
	September 30, 2021		September 30, 2020		September 30, 2019	
	Amount	%	Amount	%	Amount	%
Non-depreciable assets:						
Land	\$ 176,981	4%	\$ 176,981	10%	\$ 161,981	26%
Construction in progress	4,173,457	96%	1,624,084	90%	468,419	74%
Total non-depreciable	<u>4,350,438</u>	<u>100%</u>	<u>1,801,065</u>	<u>100%</u>	<u>630,400</u>	<u>100%</u>
Depreciable assets:						
Building	3,483,174	5%	3,483,174	5%	3,463,376	5%
Distribution system	61,157,740	87%	57,493,858	86%	54,425,379	86%
Machinery and equipment	5,049,177	7%	5,033,677	8%	4,783,268	8%
Intangibles	511,149	1%	511,149	1%	498,549	1%
Total depreciable capital assets	<u>70,201,240</u>	<u>100%</u>	<u>66,521,858</u>	<u>100%</u>	<u>63,170,572</u>	<u>100%</u>
Total Capital assets	<u>74,551,678</u>		<u>68,322,923</u>		<u>63,800,972</u>	
Accumulated depreciation:						
Building	386,691		319,845		254,224	
Distribution system	25,912,755		24,763,922		23,629,417	
Machinery and equipment	4,124,874		3,892,567		3,684,546	
Intangibles	<u>327,941</u>		<u>311,251</u>		<u>294,631</u>	
Total accumulated depreciation	<u>\$ 30,752,261</u>		<u>\$ 29,287,585</u>		<u>\$ 27,862,818</u>	
Business-type activities capital assets, net	<u>\$ 43,799,417</u>		<u>\$ 39,035,338</u>		<u>\$ 35,938,154</u>	

At September 30, 2021, the depreciable capital assets were 44% depreciated. This compares favorably to the September 30, 2020, and 2019 percentages. This comparison indicates that the Utility Commission is replacing its assets at approximately the same rate as they are depreciating, which is a positive indicator.

At September 30, 2021, the construction in progress includes primarily the USDA RD FVSU Water Project.

The additions to the distribution systems asset class were \$3,665,435 from 2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) Utility Commission, City of Fort Valley, Georgia
As of and For The Years Ended September 30, 2021 and 2020

Long-term Debt

At September 30, 2021, the Utility Commission has five loans outstanding with the Georgia Environmental Finance Authority (GEFA) and two with the Georgia Environmental Loan Acquisition Corporation (GELAC).

The following schedule discloses the amount of outstanding long-term debt for the last three years.

	Outstanding Long-term Debt		
	<u>September 30, 2021</u>	<u>September 30, 2020</u>	<u>September 30, 2019</u>
GEFA Loan - DW97-027	\$ -	\$ 81,727	\$ 245,181
GEFA Loan - DW97-027A	-	19,003	56,167
GELAC Loan - 2006-L58WQ	345,344	437,008	480,094
GEFA Loan - DWSRF 04-004	107,330	140,480	156,586
GELAC Loan - 2007-L42WQ	289,777	349,294	377,274
GEFA Loan - DW14-001	776,855	870,539	916,663
GEFA Loan - CW2016025	379,182	420,512	440,599
GEFA Loan - CW20200009	612,085	-	-
GEFA Loan - DW2020015	92,777	-	-
Death Benefits	260,742	222,106	222,106
Compensated Absences	<u>73,743</u>	<u>261,225</u>	<u>248,488</u>
Total	<u>\$ 2,937,835</u>	<u>\$ 2,801,894</u>	<u>\$ 3,143,158</u>

See Note 3-E for additional information about the Utility Commission's long-term debt.

Economic Conditions Affecting the Utility Commission

The Commission's top private industry customers are Blue Bird, Arriscraft, Atlanta Sand and Supply, and Southern Flavor Farms. These businesses continue to increase their growth and are key to the stability of the Commission.

Blue Bird prides itself on being a technology leader and innovator of school buses. The company is the proven leader in low- and zero-emission school buses with more than 20,000 propane, natural gas, and electric-powered buses in operation today.

Economic Development in Georgia continues to be very active. In collaboration with the State of Georgia and the Peach County Development Authority, the Commission frequently meets with potential global businesses.

Our top public customers include two educational institutions: The Peach County Board of Education and Fort Valley State University.

Contacting the Utility Commission's Financial Management

This financial report is designed to provide a general overview of the Utility Commission's finances, comply with finance-related laws and regulations, and demonstrate the Utility Commission's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Utility Commission's Director of Financial and Administrative Services at 478-825-7701, extension 245. Please visit our web page at www.fvutil.com.

Utility Commission
City of Fort Valley, Georgia
Comparative Statement of Net Position
September 30, 2021 and 2020

	2021	2020
Assets		
Current Assets:		
Cash and cash equivalents (Note 3-A)	\$ 923,336	\$ 772,957
Investments (Note 3-A)		
Natural Gas	4,891,347	4,668,308
Electric	3,136,396	2,883,681
Receivables:		
Accounts (net of allowance for uncollectibles):		
Billed	2,620,295	2,033,423
Unbilled	1,785,823	1,427,273
Interest	1,057	250
Inventory (Note 1-E-3)	643,632	604,228
Prepaid expenses (Note 1-E-4)	193,843	182,017
Total Current Assets	14,195,729	12,572,137
Noncurrent Assets:		
Restricted assets (Note 1-E-5)		
Investments	2,927,362	2,925,386
Capital assets (Note 3-C)		
Nondepreciable	4,350,438	1,801,065
Depreciable, net	39,448,979	37,234,273
Total Noncurrent Assets	46,726,779	41,960,724
Total Assets	60,922,508	54,532,861
Deferred Outflows of Resources		
Deferred outflows of resources from pension amounts	528,979	678,302
Total Assets and Deferred Outflows of Resources	61,451,487	55,211,163
Liabilities		
Current Liabilities:		
Accounts payable	1,962,078	1,856,136
Accrued payroll	144,496	152,815
Sales and excise taxes payable	53,552	49,404
Intergovernmental payable	419,167	308,928
Compensated absences payable	147,046	173,976
Revenue bonds payable (Note 3-E)	2,093,148	-
Notes payable (Note 3-F)	165,929	258,259
Total Current Liabilities	4,985,416	2,799,518
Noncurrent Liabilities:		
Net pension liability	949,893	1,240,861
Customer deposits payable	659,079	605,319
Compensated absences payable (net of current portion)	73,743	87,249
Deferred compensation	260,742	222,106
Notes payable (net of current portion) (Note 3-F)	2,603,350	2,060,305
Total Noncurrent Liabilities	4,546,807	4,215,840
Total Liabilities	9,532,223	7,015,358
Deferred Inflows of Resources		
Deferred inflows of resources from pension amounts	295,389	247,099
Total Liabilities and Deferred Inflows of Resources	9,827,612	7,262,457
Net Position		
Net investment in capital assets (Note 3-H)	38,936,990	36,716,774
Restricted for new electric generation (Note 1-E-5)	1,551,658	1,550,376
Restricted for pledged collateral - construction loan (Note 1-E-5)	1,375,703	1,375,010
Unrestricted	9,759,524	8,306,546
Total Net Position	\$ 51,623,875	\$ 47,948,706

See accompanying notes to the basic financial statements

Utility Commission
City of Fort Valley, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Years Ended September 30, 2021 and 2020

	2021	2020
Operating Revenues		
Charges for services	\$ 23,438,465	\$ 22,540,834
Miscellaneous	804,526	1,630,214
Total Operating Revenues	24,242,991	24,171,048
Operating Expenses		
Personal services	4,075,820	4,403,221
Purchased services	3,510,792	3,615,835
Materials and supplies	315,743	336,269
Repairs and maintenance	719,286	765,775
Gas and electric purchased for resale	12,220,066	12,144,696
Depreciation	1,464,675	1,445,984
Miscellaneous	(58,825)	113,206
Total Operating Expenses	22,247,557	22,824,986
Operating Income	1,995,434	1,346,062
Nonoperating Revenues (Expenses)		
Interest and fiscal charges	(50,983)	(55,398)
Investment earnings	2,784	108,805
Total Nonoperating Revenues (Expenses)	(48,199)	53,407
Income Before Capital Contributions	1,947,235	1,399,469
Capital Contributions	1,727,934	2,874,325
Change in Net Position	3,675,169	4,273,794
Net Position Beginning of Year, as restated (Note 4-G)	47,948,706	43,674,912
Net Position End of Year	\$ 51,623,875	\$ 47,948,706

See accompanying notes to the basic financial statements

Utility Commission
City of Fort Valley, Georgia
Comparative Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 23,355,477	\$ 24,119,894
Cash payments for personal services	(4,179,294)	(4,287,121)
Cash payments for goods and services	<u>(16,542,111)</u>	<u>(16,649,841)</u>
Net Cash Provided by (Used in) Operating Activities	<u>2,634,072</u>	<u>3,182,932</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from revenue bonds	2,093,148	-
Proceeds from notes payable	710,657	-
Principal paid on notes payable	(259,942)	(354,000)
Interest paid on notes payable	(50,983)	(55,398)
Payments for capital acquisitions	<u>(4,500,820)</u>	<u>(1,668,843)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,007,940)</u>	<u>(2,078,241)</u>
Cash Flows from Investing Activities		
Investment earnings	1,977	128,434
Net purchase of investments	<u>(477,730)</u>	<u>(2,636,850)</u>
Net Cash Provided (Used in) Investing Activities	<u>(475,753)</u>	<u>(2,508,416)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	150,379	(1,403,725)
Cash and Cash Equivalents Beginning of Year	<u>772,957</u>	<u>2,176,682</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 923,336</u></u>	<u><u>\$ 772,957</u></u>

(continued)

See accompanying notes to the basic financial statements

Utility Commission
City of Fort Valley, Georgia
Comparative Statement of Cash Flows
For the Years Ended September 30, 2021 and 2020

(continued)

	<u>2021</u>	<u>2020</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 1,995,434	\$ 1,346,062
Adjustments:		
Depreciation	1,464,675	1,445,984
(Increase) Decrease in Assets:		
Accounts receivable	(945,422)	(89,447)
Materials and supplies inventory	(39,404)	(5,228)
Prepaid expenses	(11,826)	(67,319)
Deferred outflows of resources from pension amounts	149,323	(276,038)
Increase (Decrease) in Liabilities:		
Accounts payable	105,942	477,332
Accrued payroll	(8,319)	30,269
Sales and excise taxes payable	4,148	(1,598)
Intergovernmental payable	110,239	(78,845)
Customer deposits	53,760	39,891
Compensated absences payable	(40,436)	12,737
Deferred compensation payable	38,636	-
Net pension liability	(290,968)	737,567
Deferred inflows of resources from pension amounts	48,290	(388,435)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,634,072</u>	<u>\$ 3,182,932</u>
Noncash Capital Financing Activities:		
Capital Contributions	\$ 1,148,439	\$ 2,874,325
Developer Contributions	\$ 579,495	\$ -

See accompanying notes to the basic financial statements

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

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**Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020**

In 1909, the City of Fort Valley's charter was amended to create a "Board of Water and Light Commissioners." In 1953, the Board was renamed the "Utility Commission." The Utility Commission of the City of Fort Valley (the Utility Commission) provides the following services: natural gas, electricity, water, and sewage collection and telecommunications to the City of Fort Valley and unincorporated Peach County. In addition, the Utility Commission provides natural gas service to a portion of Crawford County and provides water service to a portion of Macon County.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Utility Commission have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The Utility Commission has elected not to follow subsequent private-sector guidance.

The most significant of the Utility Commission's accounting policies are described below.

1-A. Reporting Entity

In 2019, the Georgia General Assembly took additional steps to codify and ensure the Commission's financial, legal, and operational autonomy from the City by passing House Bill 685 ("HB 685"). HB 685 reaffirms that the Commission is a 'body corporate' with 'the right to sue and be sued and power to make all contracts and obligations necessary or convenient to discharge the duties that devolve upon it.' The Utility Commission has no taxing authority. The Utility Commission consists of five members: the Mayor of the City is an ex-officio member and four popularly elected commissioners, two elected at large and two elected by ward (i.e., east and west).

The City believes it would be misleading to omit the Utility Commission from its financial statements; therefore, the Utility Commission is reported as a discretely presented component unit of the City.

The Utility Commission has not included any other component units within its reporting entity.

1-B. Basis of Presentation

The Utility Commission's basic financial statements consist of a comparative statement of net position, a comparative statement of revenues, expenses and changes in net position and a comparative statement of cash flows.

Fund Accounting - The Utility Commission uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Utility Commission uses a single fund, a proprietary fund.

The Proprietary Fund – The proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund is classified as an enterprise fund.

1-C. Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the comparative statement of net position. The comparative statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in the total net position. The comparative statement of cash flows provides information about how the Utility Commission finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The enterprise fund financial statements are prepared using the accrual basis of accounting.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place, if measurable. Charges for services are exchange transactions.

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenues – Non-exchange Transactions – Non-exchange transactions, in which the Utility Commission receives value without directly giving equal value in return, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Utility Commission must provide local resources to be used for a specified purpose, and expense requirements, in which the resources are provided to the Utility Commission on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred, if measurable. For reporting purposes, bad debt expenses are offset against operating revenue.

1-E. Assets, Liabilities and Net Position

1-E-1 Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Utility Commission. For the statement of cash flow purposes, cash and cash equivalents and investments are included.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the Utility Commission to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

Customer receivables represent various utility charges earned, billed, but not collected, at September 30, 2021. Unbilled service receivables represent the estimated amount of accounts receivable for services that have not been billed as of the comparative statement of net position date. The amounts are a result of a timing difference between the end of the financial statement cycle and the billing cycle. The receivables are reported net of an allowance for uncollectibles, where applicable (Note 3-B).

1-E-3 Consumable Inventories

Inventory is recorded using the average unit cost method and expensed when consumed. Inventories include meters, transformers, lines, poles, pipe and fittings for both fiscal years.

1-E-4 Prepaid Expenses

Payments made to vendors for services (i.e., prepaid insurance) that will benefit periods beyond September 30, 2021, are recorded as prepaid expenses using the consumption method by recording an asset for the prepaid amount and reflecting the expense in the year in which services are consumed.

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-5 Restricted Assets

In 2020 and 2021 restricted assets consist of the new generation and capacity funding account in the amount of \$1,550,376 and \$1,551,658 respectively. And at September 30, 2020 and 2021, a construction loan certificate of deposit pledged as collateral in the amount of \$1,375,010 and \$1,375,704, respectively.

1-E-6 Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The Utility Commission maintains a capitalization threshold of five thousand dollars. The Utility Commission's capital assets consist of the water distribution system, the sewerage collection system, the gas distribution system, the electric distribution system and the fiber optic system. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives presented as rates:

Asset Class	Depreciation Rate
Buildings	2%
Natural gas system	2%
Natural gas meters	2.5%
Natural gas equipment	5 - 20%
Electric system and equipment	3 - 10%
Water system and equipment	2.5 - 10%
Sewerage system and equipment	2.5 - 10%
Fiber optic system and equipment	2.5 - 10%
Intangible assets	10%

1-E-7 Compensated Absences

Annual leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

1-E-8 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the comparative statement of net position.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Net Position

Net position represents the difference between assets and liabilities. The portion of net position classified as “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used 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 the enabling legislation adopted by the Utility Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

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

1-E-10 Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Commission has deferred outflows of resources related to pensions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has deferred inflows of resources related to pensions.

1-E-11 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Utility Commission, these revenues are charges for services for electric, gas, water, sewer and telecom. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of each utility. All other revenues and expenses are reported as non-operating, including investment earnings, interest expense and the gain or loss on the disposal of capital assets.

1-E-12 Pension

For purposes of measuring the net pension liability, deferred outflows of resources and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees’ Benefit System (GMEBS) and additions to/deductions from GMEBS fiduciary net position have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E-13 Contributions of Capital

Contributions of capital in enterprise fund financial statements arise from outside contributions of capital assets, service connection fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020**

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-14 Cost Allocations

For reporting purposes, the Utility Commission conducts various allocations of costs within the operating accounts.

Allocation of Meter, Warehouse and Administrative Costs to the Electric, Water, Sewer, Gas and Telecom Departments: The Utility Commission allocates the cost of operating its Meter Department, Warehouse Operation and Administrative Offices, which include Customer Service, Billing, Finance, Information Technology, Accounting and Operations, on the basis of the number of customers/meters served by each of the operating departments. The allocation rates are: Electric 30.00%; Water 28.50%; Sewer 20.00%; Gas 20.00%; Telecom 1.50% for fiscal year 2020 and Electric 30.00%; Water 28.50%; Sewer 20.00%; Gas 20.00%; Telecom 1.50% for fiscal year 2021.

1-E-15 Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-16 Comparative Data

Comparative total data for the prior year have been presented in all of the financial statements in order to provide an understanding of the changes in the financial position and operations. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The Utility Commission adopts an annual operating budget generally consistent with GAAP. However, bad debt expense is reported as an expense on the budgetary basis and offset against the revenue accounts on the GAAP basis. Also, certain revenues and expenditures are classified differently on the budget schedule as compared to the GAAP comparative statement of revenues, expenses and changes in net position.

The legal level of control (the level at which expenses may not legally exceed appropriations) for each adopted annual operating budget generally is the department level. Any change in total to a departmental appropriation requires approval of the Board of Utility Commissioners.

Either the Utility Commission General Manager or Finance Director may approve budget transfers within departments.

Generally, all unexpended annual appropriations lapse at year-end. However, some capital appropriations may carry forward to the subsequent year automatically. During the year, the Board of Utility Commissioners amended the budget.

Note 3 - Detailed Notes

3-A. Deposits and Investments

The Utility Commission has adopted formal cash and investment policies.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

The Utility Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Municipal Competitive Trust is classified as Level 1 of the fair value hierarchy and is valued using prices quoted in active markets for those securities.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 3 - Detailed Notes (Continued)

3-A. Deposits and Investments (Continued)

Deposits

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Utility Commission’s deposits may not be recovered.

At September 30, 2021, all bank balances were entirely insured or collateralized. In October 2011, the Utility Commission elected to secure its deposits in a pool of pledged securities established and maintained by CB&T Bank of Middle Georgia, a division of Synovus Bank, in accordance with Georgia Uniform Commercial Code Chapter 8, Title 45, Code Section 45-8-1 and administered under the direction of the Georgia Office of Treasury and Fiscal Services. The Utility Commission did the same in 2016 when they opened two new accounts at BB&T, a bank that participates in a pool of pledged securities. In fiscal year 2019, the Utility Commission opened a new account at Georgia Community Bank with a balance of less than the FDIC insured limit. At September 30, 2021, the bank balances were \$810,585 and the carrying amount was \$923,336.

At September 30, 2020, all bank balances were entirely insured or collateralized. At September 30, 2020, the bank balances were \$824,728 and the carrying amount was \$769,957.

Investments

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Utility Commission’s investment policy does not formally limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates

At September 30, 2021 and September 30, 2020, the Utility Commission had the following investments presented by maturity period:

Investment Type	Maturity Period			
	Fair Value	Three Months or Less	4 - 12 Months	1 - 5 Years
2021				
Certificates of Deposit	\$ 1,375,703	\$ -	\$ -	\$ 1,375,703
Money Market Account	4,891,347			
Municipal Competitive Trust	4,688,054			
Total	\$ 10,955,104			
2020				
Certificates of Deposit	\$ 1,375,010	\$ -	\$ -	\$ 1,375,010
Money Market Account	4,668,308			
Municipal Competitive Trust	4,434,057			
Total	\$ 10,477,375			

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Utility Commission’s money market account and investment in the municipal competitive trust are not rated.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 3 - Detailed Notes (Continued)

3-A. Deposits and Investments (Continued)

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Utility Commission's investments may not be recovered. The investment policies require securities to be held by an independent third-party custodian selected by the Utility Commission as evidenced by safekeeping receipts in the Utility Commission's name. At September 30, 2021 and 2020, all investments were entirely insured or collateralized with securities held by the Utility Commission's agent in the Utility Commission's name.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Utility Commission's investment in a single issuer. The investment policies require that the investments be diversified by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and, continuously investing a portion of the portfolio in readily available funds, local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The Utility Commission's certificates of deposits are issued by the following bank:

Bank:	September 30, 2021		September 30, 2020	
	Amount	% of Total	Amount	% of Total
CB&T Bank of Middle Georgia	\$ 1,375,703	100%	\$ 1,375,010	100%

Cash & Investment Reconciliation:

	September 30, 2021		September 30, 2020	
	Cash and Cash Equivalents	Investments	Cash and Cash Equivalents	Investments
Enterprise Fund Type Statement of Net Position				
Unrestricted	\$ 923,336	\$ 8,027,742	\$ 769,168	\$ 7,551,989
Restricted	-	2,927,362	3,789	2,925,386
Less cash on hand and petty cash	(3,000)	-	(3,000)	-
Total	\$ 920,336	\$ 10,955,104	\$ 769,957	\$ 10,477,375

3-B. Receivables

Receivables at September 30, 2021 and 2020 consisted of interest and customer accounts (billings for user charges, including unbilled utility receivables).

Receivables and payables are recorded on the Utility Commission's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

The allowance for uncollectibles for accounts receivable was \$230,000 at both September 30, 2021 and 2020.

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 - Detailed Notes (Continued)

3-C. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	Balance 9/30/2020	Additions	Deductions	Balance 9/30/2021
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 176,981	\$ -	\$ -	\$ 176,981
Construction in progress	1,624,084	4,687,308	2,137,935	4,173,457
Total nondepreciable capital assets	1,801,065	4,687,308	2,137,935	4,350,438
Depreciable capital assets:				
Building	3,483,174	-	-	3,483,174
Distribution system	57,493,858	3,665,435	1,553	61,157,740
Machinery and equipment	5,033,677	15,500	-	5,049,177
Intangibles	511,149	-	-	511,149
Total depreciable capital assets	66,521,858	3,680,935	1,553	70,201,240
Total capital assets	68,322,923	8,368,243	2,139,488	74,551,678
Accumulated depreciation:				
Building	319,845	66,846	-	386,691
Distribution system	24,763,922	1,148,833	-	25,912,755
Machinery and equipment	3,892,567	232,307	-	4,124,874
Intangibles	311,251	16,690	-	327,941
Total accumulated depreciation	29,287,585	1,464,676	-	30,752,261
Business-type activities capital assets, net	\$ 39,035,338	\$ 6,903,567	\$ 2,139,488	\$ 43,799,417

Capital asset activity for the year ended September 30, 2020, was as follows:

	Balance 9/30/2019	Additions	Deductions	Balance 9/30/2020
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 161,981	\$ 15,000	\$ -	\$ 176,981
Construction in progress	468,419	1,155,665	-	1,624,084
Total nondepreciable capital assets	630,400	1,170,665	-	1,801,065
Depreciable capital assets:				
Building	3,463,376	19,798	-	3,483,174
Distribution system	54,425,379	3,068,479	-	57,493,858
Machinery and equipment	4,783,268	271,626	21,217	5,033,677
Intangibles	498,549	12,600	-	511,149
Total depreciable capital assets	63,170,572	3,372,503	21,217	66,521,858
Total capital assets	63,800,972	4,543,168	21,217	68,322,923
Accumulated depreciation:				
Building	254,224	65,621	-	319,845
Distribution system	23,629,417	1,134,505	-	24,763,922
Machinery and equipment	3,684,546	229,238	21,217	3,892,567
Intangibles	294,631	16,620	-	311,251
Total accumulated depreciation	27,862,818	1,445,984	21,217	29,287,585
Business-type activities capital assets, net	\$ 35,938,154	\$ 3,097,184	\$ -	\$ 39,035,338

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 3 - Detailed Notes (Continued)

3-D. Operating Leases

The Utility Commission entered into an operating lease for Xerox copiers in April 2018. The lease is for 60 months at a rate of \$1,076 per month. The following payments are due to the lessor on a monthly basis for the term of the lease.

Fiscal	
Year	Amount
2022	\$ 12,912
2023	4,304
Total	<u>\$ 17,216</u>

The Utility Commission entered into an operating lease for Xerox copiers in September 2019. The lease is for 60 months at a rate of \$36 per month. The following payments are due to the lessor on a monthly basis for the term of the lease.

Fiscal	
Year	Amount
2022	\$ 432
2023	432
2024	324
Total	<u>\$ 1,188</u>

3-E. Revenue Bonds Payable

On October 21, 2020, The Utility Commission issued a revenue bond to Synovus Bank, Series 2020A, in the amount of \$2,400,000 and an interest rate of 2%. The bond was issued for the purpose of financing, together with other funds, the cost of adding an elevated storage tank, and a new well to the water system. The amount drawn down as of 9/30/2021 was \$2,093,147.68. The United States Department of Agriculture will retire this loan and provide long-term financing through the issuance of a 40-year bond in the amount of \$2,387,000.

3-F. Long-term Debt

At September 30, 2021, the Utility Commission has five loans outstanding with the Georgia Environmental Finance Authority (GEFA) and two with the Georgia Environmental Loan Acquisition Corporation (GELAC).

GEFA Loan – DW97-027 – On May 19, 1999, the Utility Commission borrowed \$3.5 million in an interest free loan for water distribution system and wells. Payments were due quarterly with a final maturity date of February 1, 2021. This loan was paid off in 2021.

GEFA Loan – DW97-027A – On May 19, 1999, the Utility Commission borrowed \$550,000 at a 3% interest rate for water distribution system and wells. Payments were due quarterly with a final maturity date of February 1, 2021. This loan was paid off in 2021.

**Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020**

Note 3 – Detailed Notes (Continued)

3-F. Long term Debt (Continued)

GELAC Loan – 2006-L58WQ - On May 10, 2007 the Utility Commission received a loan commitment of \$920,000 at a 4.12% interest rate for a lift station and water and sewer lines in the Heritage Pointe Subdivision.

Payments of \$5,171 are due monthly with a final maturity date of January 1, 2029. The construction loan went into repayment on February 1, 2009, in the amount of \$844,499.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 46,780	\$ 15,273	\$ 62,053
2023	48,744	13,309	62,053
2024	50,779	11,274	62,053
2025	52,932	9,121	62,053
2026	55,144	6,908	62,052
2027-2029	137,745	6,990	144,735
Total	<u>\$ 392,124</u>	<u>\$ 62,875</u>	<u>\$ 454,999</u>

GEFA Loan – DWSRF 04-004 – In fiscal year 2007, the Utility Commission drew down \$631,650 at a 1.9% interest rate for an elevated water storage tank at Peach County High School and water main system improvements to serve Rolling Hills Trailer Park. Payments of \$1,579 are due monthly with a final maturity date of September 1, 2028. During fiscal year 2008 the Utility Commission drew down \$513,350, to the maximum authorized borrowing of \$1,145,000. However, in fiscal year 2008, the Utility Commission received a \$500,000 GEFA DWSRF subsidy which was used to reduce the principal of this loan. The Utility Commission made a balloon payment of \$330,000 in fiscal year 2008. During fiscal year 2009 the construction loan went into repayment on October 1, 2008, in the amount of \$315,000.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 16,732	\$ 2,212	\$ 18,944
2023	17,053	1,891	18,944
2024	17,378	1,566	18,944
2025	17,714	1,230	18,944
2026	18,052	891	18,943
2027-2028	37,133	738	37,871
Total	<u>\$ 124,062</u>	<u>\$ 8,528</u>	<u>\$ 132,590</u>

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Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 – Detailed Notes (Continued)

3-F. Long term Debt (Continued)

GELAC Loan – 2007-L42WQ – On December 14, 2008, the Utility Commission received a loan commitment of \$10,750,000 at 4.1% rate for 20 years for a reclamation facility, three sewage pump stations, force main sewer and gravity main sewer to serve east Peach County.

Payments of \$3,577 are due monthly with a final maturity date in 2030. During fiscal year 2008 the Utility Commission drew down \$1,815,208. During fiscal year 2009 the Utility Commission drew down \$6,445,045. During fiscal year 2010 the Utility Commission drew down \$912,965. On November 17, 2009 GEFA released the Utility Commission from the Debt Service Reserve account in accordance with Exhibit D of the loan contract. The item was waived in its entirety, retroactively to September 30, 2009.

The Utility Commission has received all of the \$7,500,000 from Peach County, Georgia for 2000 SPLOST funds allocated to it in the Intergovernmental Agreement. The Utility Commission made balloon payments with those funds during fiscal year 2009 totaling \$7,500,000. The Utility Commission made an additional balloon payment in August 2009 of \$588,000. Also, in fiscal year 2010, the Utility Commission made another balloon payment in November 2009 of \$500,000. During fiscal year 2010, the construction loan went into repayment in the amount of \$585,218.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 30,367	\$ 12,559	\$ 42,926
2023	31,636	11,291	42,927
2024	32,958	9,969	42,927
2025	34,335	8,592	42,927
2026	35,769	7,158	42,927
2027-2030	155,079	13,049	168,128
Total	\$ 320,144	\$ 62,618	\$ 382,762

GEFA Loan – DW14-001 – During fiscal year 2016, the Utility Commission was approved to borrow up to \$1,500,000 at a 1.03% interest rate in order to fund the Asbestos Cement Watermain project. FVUC received disbursements of \$920,533 in fiscal year 2016, \$478,936 in fiscal year 2017, and \$100,531 in fiscal year 2018. A subsidy in the amount of \$500,000 was received and applied to the principal balance of the disbursements. Repayment of the \$1,000,000 final loan amount began on December 1, 2017. Payments of \$4,612 are made monthly with a final maturity date of November 1, 2037.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 47,083	\$ 8,265	\$ 55,348
2023	47,571	7,777	55,348
2024	48,063	7,285	55,348
2025	48,560	6,788	55,348
2026	49,063	6,285	55,348
2027-2031	253,036	23,704	276,740
2032-2036	266,403	10,337	276,740
2037-2038	64,159	414	64,573
Total	\$ 823,938	\$ 70,855	\$ 894,793

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 – Detailed Notes (Continued)

3-F. Long-term Debt (Continued)

GEFA Loan – CW2016025 – During fiscal year 2017, the Utility Commission was approved to borrow up to \$1,000,000 at a 1.89% interest rate in order to fund the Speece Cone Superoxygenation System project. During fiscal years 2017 and 2018, the Utility Commission received loan disbursements of \$522,971 from the total amount approved. A subsidy was received lowering the principal balance by \$82,946. Repayment of the \$470,025 final loan amount began on April 1, 2018. Payments of \$2,353 are made monthly with a final maturity date of March 1, 2038.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 20,860	\$ 7,381	\$ 28,241
2023	21,257	6,983	28,240
2024	21,663	6,578	28,241
2025	22,076	6,165	28,241
2026	22,497	5,744	28,241
2027-2031	119,082	22,120	141,202
2032-2036	130,874	10,328	141,202
2037-2038	41,733	627	42,360
Total	\$ 400,042	\$ 65,926	\$ 465,968

GEFA Loan – CW20200009 – During fiscal year 2021, the Utility Commission was approved to borrow up to \$2,500,000 at a 1.94% interest rate in order to fund a sewer main and lift station for the Peach County High School project. During fiscal year 2021, the Utility Commission received loan disbursements of \$1,093,009 from the total amount approved. A subsidy was received lowering the principal balance by \$480,924 leaving a balance on the loan of \$612,085 at 9/30/2021. As there are still additional projects to fund with this loan money, the loan is not finalized and has not entered the repayment phase.

GEFA Loan – DW2020015 – During fiscal year 2021, the Utility Commission was approved to borrow up to \$200,000 at a 1.94% interest rate in order to fund a water main for the Peach County High School project. During fiscal year 2021, the Utility Commission received loan disbursements of \$197,143 from the total amount approved. A subsidy in the amount of \$98,572 was received and applied to the principal balance of the disbursements. Repayment of the \$98,572 final loan amount began on May 1, 2021. Payments of \$495.86 are made monthly with a final maturity date of April 1, 2041.

Annual debt service requirements to amortize this loan as of September 30, 2021 follow:

Year	Principal	Interest	Total
2022	\$ 4,107	\$ 1,843	\$ 5,950
2023	4,187	1,763	5,950
2024	4,269	1,681	5,950
2025	4,353	1,597	5,950
2026	4,438	1,512	5,950
2027-2031	23,529	6,222	29,751
2032-2036	25,924	3,828	29,752
2037-2038	26,077	1,198	27,275
Total	\$ 96,884	\$ 19,644	\$ 116,528

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 – Detailed Notes (Continued)

3-F. Long-term Debt (Continued)

Changes in Long-term Debt - Changes in the Utility Commission's long-term obligations consisted of the following for the years ended September 30, 2021 and 2020:

	Outstanding 10/1/2020	Additions	Reductions	Outstanding 9/30/2021	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW97-027	\$ 81,727	\$ -	\$ 81,727	\$ -	\$ -	\$ -
GEFA loan - DW97-027A	19,003	-	19,003	-	-	-
GELAC loan - 2006-L58WQ	437,008	-	44,884	392,124	46,780	345,344
GEFA loan - DWSRF 04-004	140,480	-	16,418	124,062	16,732	107,330
GELAC loan - 2007-L42WQ	349,294	-	29,150	320,144	30,367	289,777
GEFA loan - DW14-001	870,539	-	46,601	823,938	47,083	776,855
GEFA loan -CW2016025	420,512	-	20,470	400,042	20,860	379,182
GEFA loan -CW20200009	-	612,085	-	612,085	-	612,085
GEFA loan -DW2020015	-	98,572	1,688	96,884	4,107	92,777
Death benefits	222,106	38,636	-	260,742	-	260,742
Compensated absences	261,225	206,058	246,494	220,789	147,046	73,743
Total Business-Type Activities	<u>\$ 2,801,894</u>	<u>\$ 955,351</u>	<u>\$ 506,435</u>	<u>\$ 3,250,810</u>	<u>\$ 312,975</u>	<u>\$ 2,937,835</u>

	Outstanding 10/1/2019	Additions	Reductions	Outstanding 9/30/2020	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW97-027	\$ 245,181	\$ -	\$ 163,454	\$ 81,727	\$ 81,727	\$ -
GEFA loan - DW97-027A	56,167	-	37,164	19,003	19,003	-
GELAC loan - 2006-L58WQ	480,094	-	43,086	437,008	44,889	392,119
GEFA loan - DWSRF 04-004	156,586	-	16,106	140,480	16,420	124,060
GELAC loan - 2007-L42WQ	377,274	-	27,980	349,294	29,149	320,145
GEFA loan - DW14-001	916,663	-	46,124	870,539	46,601	823,938
GEFA loan -CW2016025	440,599	-	20,087	420,512	20,469	400,043
Death benefits	222,106	-	-	222,106	-	222,106
Compensated absences	248,488	165,939	153,202	261,225	173,976	87,249
Total Business-Type Activities	<u>\$ 3,143,158</u>	<u>\$ 165,939</u>	<u>\$ 507,203</u>	<u>\$ 2,801,894</u>	<u>\$ 432,234</u>	<u>\$ 2,369,660</u>

Deferred compensation is paid upon the death of an employee (including retired employees but excluding temporary employees of the Commission). Benefits are paid to the surviving spouse or legal representative. Benefit amounts are determined by length of employment and salary. This benefit is effective unless an employee terminates before retirement. Charges for services are used to retire the above loans and capital leases. The compensated absences and death benefits liabilities are retired from enterprise fund resources.

3-G. Pension Plan

Plan Description – The Utility Commission's defined benefit pension plan, the Fort Valley Utility Commission Retirement Plan (the Plan), provides retirement, disability and death benefits to Plan members and beneficiaries. The Plan is a non-contributory defined benefit plan, which is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The authority for establishing and amending benefits rests with the Utility Commission's Board of Commissioners. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained from: Georgia Municipal Employees Benefit System, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 – Detailed Notes (Continued)

3-G. Pension Plan (Continued)

Eligibility requirements are one year of service for all employees. The Plan allows for early retirement at age 55 if the employee has ten years of service. Normal retirement is at age 65 with five years of service. Benefits are dependent upon factors such as the number of years of credited service to the Utility Commission and the employee's final average earnings. Beginning January 1, 2003 employees' benefits vest at 50 percent after five years and 10 percent of additional vesting takes place each year thereafter until reaching 100% after ten years of service. These benefit provisions were established by a City ordinance dated September 26, 1974. The Utility Commission's plan was separated from the City's plan as of October 1, 1990.

At September 30, 2021, the plan had 47 active employees, 16 vested former employees, and 39 retired participants or beneficiaries currently receiving benefits. At September 30, 2020, the plan had 44 active employees, 12 vested former employees, and 37 retired participants or beneficiaries currently receiving benefits.

Contributions – Required contributions are determined by the GMEBS based on actuarial calculations performed by an independent actuary. The actuarially-determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission's recommended contribution rate for the years ended September 30, 2020 and 2021 was 7.47 and 9.41 percent of covered payroll. The Commission's recommended contribution to the plan for the years ended September 30, 2020 and 2021 was \$217,263 and \$248,019. Participants in the plan are not required to contribute.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At September 30, 2020 and 2021, the Commission reported a net pension liability of \$1,240,861 and \$949,893. The net pension liability was measured as of September 30, 2019 and 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial date was January 1, 2020 and 2021.

For the year ended September 30, 2020, the Commission recognized pension expense of \$290,357. At September 30, 2020, the Commission had deferred outflows 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	\$ 4,860	\$ (183,207)
Changes of Assumptions	456,179	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	(63,892)
Contributions made subsequent to measurement date	217,263	-
	<u>\$ 678,302</u>	<u>\$ (247,099)</u>

Note: Individual period investment outflows and inflows listed below are being shown netted in accordance with GASB 68 paragraph 33b.

For the year ended September 30, 2021, the Commission recognized pension expense of \$137,734. At September 30, 2021, the Commission had deferred outflows 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	\$ -	\$ (196,219)
Changes of Assumptions	280,960	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	(99,170)
Contributions made subsequent to measurement date	248,019	-
	<u>\$ 528,979</u>	<u>\$ (295,389)</u>

Note: Individual period investment outflows and inflows listed below are being shown netted in accordance with GASB 68 paragraph 33b.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 3 – Detailed Notes (Continued)

3-G. Pension Plan (Continued)

The Authority's contributions subsequent to the measurement date of \$217,263 and \$248,019 are reported as deferred outflows of resources and will be recognized as a reduction to the net pension liability in the years ending September 30, 2020 and 2021. Other amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows:

Year ended September 30:

2022	\$ (72,664)
2023	86,937
2024	7,798
2025	(36,500)
	\$ (14,429)

Actuarial Assumptions – The total pension liability in the January 1, 2021 and 2020 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	9/30/2021	9/30/2020
Inflation	2.25%	2.25%
Salary Increases (including inflation)	3.00%	3.00%
Net Investment Rate of Return	7.375%	7.375%

Mortality rates were based on sex-distinct Pri-2012 head-count weighted Employee Mortality Table.

The actuarial assumptions used in the January 1, 2021 and 2020 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 – June 30, 2019 conducted in November and December 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021 and 2020 are summarized in the following table:

Asset Class	Target Allocation	9/30/21 Long-Term Expected Real Rate of Return	9/30/20 Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%	6.41%
International equity	20%	7.05%	6.96%
Real estate	10%	4.50%	4.76%
Global fixed income	5%	1.25%	3.06%
Domestic fixed income	20%	1.15%	1.96%
Cash	0%		
Total	100%		

Discount Rate – The discount rate used to measure the total pension liability as of September 30, 2021 and 2020 was 7.375 and 7.375 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at contractually required rates, actuarially determined. 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 the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 3 – Detailed Notes (Continued)

3-G. Pension Plan (Continued)

Changes in Net Pension Liability – Changes in the Commission’s net pension liability for the year ended September 30, 2021 and 2020 were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at October 1, 2020	\$ 9,528,503	\$ 8,287,642	\$ 1,240,861
Changes for the Year:			
Service Costs	105,290	-	105,290
Interest	690,893	-	690,893
Differences between expected and actual experience	(124,014)	-	(124,014)
Contributions - employer	-	200,333	(200,333)
Contributions - employee	-	-	-
Net investment income	-	780,838	(780,838)
Benefit payments, including refunds of employee contributions	(531,499)	(531,499)	-
Administrative expense	-	(18,034)	18,034
Other	-	-	-
Net changes	140,670	431,638	(290,968)
Balances at September 30, 2021	\$ 9,669,173	\$ 8,719,280	\$ 949,893

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at October 1, 2019	\$ 8,830,968	\$ 8,327,674	\$ 503,294
Changes for the Year:			
Service Costs	103,115	-	103,115
Interest	650,367	-	650,367
Differences between expected and actual experience	(92,826)	-	(92,826)
Contributions - employer	-	263,504	(263,504)
Contributions - employee	-	-	-
Net investment income	-	237,653	(237,653)
Benefit payments, including refunds of employee contributions	(525,039)	(525,039)	-
Administrative expense	-	(16,150)	16,150
Other	561,918	-	561,918
Net changes	697,535	(40,032)	737,567
Balances at September 30, 2020	\$ 9,528,503	\$ 8,287,642	\$ 1,240,861

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020

Note 3 – Detailed Notes (Continued)

3-G. Pension Plan (Continued)

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

	1% Decrease	Current	1% Increase
September 30, 2021:	(6.375%)	Discount Rate	(8.375%)
	(7.375%)		
Net Pension Liability	\$ 2,006,637	\$ 949,893	\$ 54,466

Benefit Changes – There were no changes in benefit provisions in the last two fiscal years.

Plan Fiduciary Net Position – Detailed information about the plan’s fiduciary net position is available in the separately issued GMEBS financial report. That report may be obtained by writing to the Georgia Municipal Association or by calling (404) 688-0472.

3-H. Net Investment in Capital Assets

The “net investment in capital assets” amount is calculated on the comparative statement of net position as of September 30, 2021 and 2020 as follows:

	2021	2020
Net Investment in capital assets:		
Cost of capital assets	\$ 74,551,678	\$ 68,322,923
Less accumulated depreciation	(30,752,261)	(29,287,585)
Book Value	43,799,417	39,035,338
Less capital related debt	(4,862,427)	(2,318,564)
Net Investment in capital assets	\$ 38,936,990	\$ 36,716,774

Note 4 - Other Notes

4-A. Contract Commitments

The Utility Commission has commitments for contracts with four governmental organizations.

Municipal Electric Authority of Georgia – The Utility Commission has contracted for a period not to exceed 50 years, to purchase all of its electric power from the Municipal Electric Authority of Georgia (MEAG). MEAG agrees to provide the generating capacity necessary for reliable and economical power for the Utility Commission’s needs.

MEAG has issued bonds for the purpose of building generation, transmission, and telecommunications facilities. Each participant, such as the Utility Commission, is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The Utility Commission’s contingent contractual obligation varies by individual MEAG project and totals approximately \$80,025,367 at September 30, 2021 and \$75,994,583 at September 30, 2020. The contingent obligations are general obligations of the Utility Commission and the City to which the City’s full faith, credit and taxing powers are pledged.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 4 - Other Notes (Continued)

4-A. Contract Commitments (Continued)

On April 12, 1999 the Utility Commission adopted the provisions of a Municipal Competitive Trust agreement with MEAG. Under the agreement, MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (the participating Cities). The Trust was created to provide a means of accumulating funds to mitigate the expected differential between market rates for power and the associated costs of generating that power after the anticipated deregulation of the electric industry. The Trust provides for three types of accounts that are held by the trustee in the name of the Utility Commission.

The flexible operating trust account includes funds that are available for withdrawal at the discretion of the Utility Commission. This amount is included in investments and totals \$3,136,396 at September 30, 2021 and \$2,883,681 at September 30, 2020. The two additional accounts created were the credit support operating trust account and the reserve funded debt trust account. The funds in the credit support operating trust account can only be used to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs.

The funds in the reserve funded debt trust account can only be used for charges related to MEAG's bond obligations. The balances in the credit support operating trust account and the reserve funded debt trust account at September 30, 2021 were \$0 and \$0, respectively; at September 30, 2020 were \$0 and \$0, respectively. Due to the restrictions on the use of these two accounts, they are not presented on the comparative statement of net position.

Credits from the Municipal Competitive Trust for Power Supply Year 2014. In accordance with the First Amendment of the Municipal Competitive Trust, MEAG Power withdrew funds from the credit support operation account and the reserve funded debt account on behalf of the Participants for the purpose of lowering the annual generation charges for the period of January 1, 2009 through December 31, 2018. The annual amount for the Utility Commission for 2009 was \$1,202,727. The annual amount for the Utility Commission for 2010 was \$1,157,508. The annual amount for the Utility Commission for 2011 was \$1,387,086. The annual amount for the Utility Commission for 2012 was \$769,170. The annual amount for the Utility Commission for 2013 was \$1,463,662. The annual amount for the Utility Commission for 2015 was \$1,183,043. The annual amount for the Utility Commission for 2016 was \$1,038,756. The annual amount for the Utility Commission for 2017 is \$662,190 and for 2018 was \$432,326. The final credits of \$100,740 were issued in 2019.

In accordance with the Second Amendment of the Municipal Competitive Trust, effective August 10, 2009, MEAG Power amended the restrictions and broadened the circumstances under which a Participant may withdraw funds from the New Generation Trust, which was established earlier in 2009 to provide for the future funding of the construction of new power generation facilities, including, but not limited to the Plant Vogtle expansion project. The voluntary funding of the New Generation Trust by Participants will improve the overall credit rating of MEAG Power in the municipal bond market, both now and in the future. The Generation Trust Account is displayed as a restricted investment asset in the comparative statement of net position. The amounts were \$1,551,658 for 2021 and \$1,550,376 for 2020.

Georgia Public Web Membership – The Utility Commission and other members of MEAG's telecommunication project created Georgia Public Web (a Georgia not-for-profit corporation) to provide internet and telecommunication services to customers in Georgia. On October 10, 2000 the Utility Commission signed a 50-year commitment to pay each month a proportionate share of the difference between Georgia Public Web's budgeted costs and revenues. The Utility Commission's proportionate share is 2.315% at both September 30, 2021 and 2020. The contingent obligations are general obligations of the Utility Commission and the City to which the City's full faith, credit and taxing powers are pledged. However, in fiscal year 2008, the Utility Commission advance paid their total commitment (Georgia Public Web telecom debt issued on April 3, 2003).

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 4 - Other Notes (Continued)

4-A. Contract Commitments (Continued)

Municipal Gas Authority of Georgia – The Utility Commission has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the Utility Commission to purchase all of its natural gas from MGAG, other than any supplies that were under contract for delivery to the Utility Commission at the time of the execution of the contract with MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the Utility Commission. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the Utility Commission is obligated to pay its share of the costs of the gas supply and related services MGAG provides to the Utility Commission, which costs include amounts equal to principal of and interest on MGAG's bonds.

The contingent obligations, which extend through the year 2058, are general obligations of the Utility Commission and the City to which the City's full faith, credit and taxing powers are pledged. The obligation to MGAG for gas supply costs are based on MGAG's costs to provide such supply, including bonds issued to purchase long-term gas supplies.

The Utility Commission is contingently liable for their pro-rata share of the debt. The Utility Commission's contingent contractual obligation total approximately \$2,032,620 at September 30, 2021 and \$2,584,523 at September 30, 2020. On December 12, 2002 an intergovernmental agreement was made between the Utility Commission and the City of Fort Valley related to the MGAG contract. Under this agreement, in the event of any required payments pursuant to the provisions of the Gas Supply Contract the payments shall be made first by the Utility Commission from its revenues and assets before any required payments are made by the City of Fort Valley.

USDA Rural Development – On April 15, 2011, the Utility Commission committed to participate in a project with the USDA Rural Development to add a 500,000 gallon elevated storage tank on the campus of Fort Valley State University, a new well and a chemical feed building. The USDA Rural Development will loan the Utility Commission an amount not to exceed \$2,387,000 and will award a grant for the project for \$1,848,000. The loan will be repayable over 40 years at an interest rate of 3.75% or interest rate at closing. The monthly payment is estimated at \$9,620. On April 15, 2012, the USDA Rural Development granted an extension until October 15, 2012. On October 15, 2012 the USDA Rural Development granted a second extension until April 15, 2013. At that time an additional 60-day extension was approved. As of November 13, 2014, plans and specifications have been approved by USDA. The status of the legal services agreement, preliminary title opinion, updated litigation and judgment agreement and lease agreement with the City of Fort Valley are all open. After no activity on the project for 2015 and 2016, the project was rebid in 2017 with anticipation that construction would begin in 2018-2019. Pending litigation postponed the project and it was put out to bid again in 2019.

City of Fort Valley Payment In lieu of Franchise Fees (PILOFF) - HB 685 codified a fixed sum monthly payment in lieu of franchise fees that the City may use for general fund purposes. The Commission shall annually pay to the city, in lieu of franchise fees, the greater of \$1.25 million or 6.0 percent of all revenue collected for charges for services for the year, to be paid in twelve monthly installments of \$104,165.00 on or before the 15th day of each month, with a final payment due, if required, within 90 days of the completion of the Commission's comprehensive annual financial report for the subject year.

4-B. Significant Customers

The Utility Commission has three significant customers to which it provides natural gas, electric, water and sewer utility services: Blue Bird Body Company, Fort Valley State University, and Southern Flavor Farms.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2021 and 2020*

Note 4 - Other Notes (Continued)

4-C. Risk Management

The Utility Commission maintains third party coverage for claims arising from property and casualty claims, general liability claims, and medical claims.

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the Utility Commission's insurance coverage during the past three years.

4-D. Contingent Liabilities

The Utility Commission has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the Utility Commission believes such disallowances, if any, will be immaterial.

The Utility Commission was not a defendant in any lawsuits at September 30, 2021 or 2020. In the opinion of the Utility Commission's management, there are no legal contingencies which will have a material effect on the financial position of the Utility Commission in subsequent years.

4-E. Subsequent Event

USDA Water System Improvement Project - On March 25, 2022, the Utility Commission issued a utility revenue bond to the United States Department of Agriculture, Series 2022A, in the amount of \$2,387,000 and an interest rate of 1.750%. This bond was used to pay of the revenue bond, Series 2020A, issued to Synovus Bank on October 21, 2020.

4-F. Covid-19

In December 2019, a strand of coronavirus (COVID-19) began to spread worldwide, resulting in a severe impact to the United States economy. In March 2020, the World Health Organization declared the outbreak a pandemic. The spread of COVID-19 has had a negative impact on virtually all businesses and individuals which comprise the tax base of all levels of government. The full extent of this impact is uncertain and cannot be reasonably estimated at this time.

Utility Commission
City of Fort Valley, Georgia
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Fort Valley Utility Commission Retirement Plan
For the Year Ended September 30, 2021

Total Pension Liability	2021	2020	2019	2018
Service Cost	\$ 105,290	\$ 103,115	\$ 113,091	\$ 112,839
Interest	690,893	650,367	651,391	636,872
Differences between expected and actual experience	(124,014)	(92,826)	(227,170)	19,441
Changes of assumptions	-	561,918	-	-
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(531,499)	(525,039)	(556,920)	(550,465)
Other	-	-	-	138,956
Net change in total pension liability	140,670	697,535	(19,608)	357,643
Total pension liability - beginning	9,528,503	8,830,968	8,850,576	8,492,933
Total pension liability - ending	<u>\$ 9,669,173</u>	<u>\$ 9,528,503</u>	<u>\$ 8,830,968</u>	<u>\$8,850,576</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 200,333	\$ 263,504	\$ 254,108	\$ 200,520
Contributions - Employee	-	-	-	-
Net Investments Income	780,838	237,653	769,539	1,056,958
Benefit Payments, including refunds of employee contributions	(531,499)	(525,039)	(556,920)	(550,465)
Administrative expense	(18,034)	(16,150)	(17,358)	(18,158)
Net change in fiduciary net position	431,638	(40,032)	449,369	688,855
Plan fiduciary net position - beginning	8,287,642	8,327,674	7,878,305	7,189,450
Plan fiduciary net position - ending	<u>\$ 8,719,280</u>	<u>\$ 8,287,642</u>	<u>\$ 8,327,674</u>	<u>\$7,878,305</u>
Net Pension Liability				
Net pension liability - ending	\$ 949,893	\$ 1,240,861	\$ 503,294	\$ 972,271
Plan's fiduciary net position as a percentage of the total pension liability	90.18%	86.98%	94.30%	89.01%
Covered payroll	\$ 2,524,936	\$ 2,591,017	\$ 2,850,874	\$2,819,279
Net pension liability as a percentage of covered payroll	37.62%	47.89%	17.65%	34.49%

Notes to the Schedule:

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

2017	2016	2015
\$ 109,755	\$ 119,251	\$ 117,458
598,733	582,211	575,409
238,247	(170,715)	78,639
-	-	(407,054)
-	-	-
(358,774)	(276,361)	(276,999)
-	-	-
587,961	254,386	87,453
7,904,972	7,650,586	7,563,133
<u>\$8,492,933</u>	<u>\$7,904,972</u>	<u>\$7,650,586</u>
\$ 255,122	\$ 300,029	\$ 281,466
-	-	-
730,391	73,390	665,224
(358,774)	(276,361)	(276,999)
(10,059)	(11,662)	(9,329)
616,680	85,396	660,362
6,572,770	6,487,374	5,827,012
<u>\$7,189,450</u>	<u>\$6,572,770</u>	<u>\$6,487,374</u>
\$1,303,483	\$1,332,202	\$1,163,212
84.65%	83.15%	84.80%
\$2,951,168	\$3,044,224	\$3,042,462
44.17%	43.76%	38.23%

Utility Commission
City of Fort Valley, Georgia
Required Supplementary Information
Schedule of Contributions
Fort Valley Utility Commission Retirement Plan
For the Year Ended September 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	--*	\$ 217,263	\$ 263,504	\$ 235,879
Contributions in relation to the actuarially determined contribution	--*	200,333	263,504	254,108
Contribution deficiency (excess)	--*	<u>\$ 16,930</u>	<u>\$ -</u>	<u>\$ (18,229)</u>
Covered payroll	\$ 2,847,138	\$ 2,959,814	\$2,780,391	\$2,880,335
Contributions as a percentage of covered payroll	--*	6.77%	9.48%	8.82%

Notes to the Schedule:

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

--* 2020 information will be determined after fiscal year end and will be included in the 2021 valuation report.

This information is not available in the current actuarial report.

2017	2016	2015
\$ 218,749	\$ 255,122	\$ 276,637
200,520	255,122	300,029
<u>\$ 18,229</u>	<u>\$ -</u>	<u>\$ (23,392)</u>
\$ 2,951,168	\$3,044,224	\$ 3,042,462
6.79%	8.38%	9.86%

Utility Commission
City of Fort Valley, Georgia
Notes to Required Supplementary Information
Fort Valley Utility Commission Retirement Plan
For the Year Ended September 30, 2021

1. Notes to Required Supplementary Information

Valuation Date	The actuarially-determined contribution rate was determined as of January 1, 2021, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially-determined contribution rate will be reported for the fiscal year ending September 30, 2022.
Actuarial Cost Method	Projected Unit Credit
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 15 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.375 Percent
Projected Salary Increases	2.25 Percent Plus Service Based Merit Increases
Cost of Living Adjustments	N/A
Retirement Age for Inactive Vested Participants	65
Mortality	Healthy mortality rates are based on the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
Changes of Assumptions:	
<ul style="list-style-type: none"> The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25. The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex -distinct Pri-2012 head-count weighted Employee Mortality Table. Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected. The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement. The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. 	

Utility Commission
City of Fort Valley, Georgia
Notes to Required Supplementary Information
Fort Valley Utility Commission Retirement Plan
For the Year Ended September 30, 2021

Changes of Assumptions (continued):

- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 30%.
- Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.

Benefit Changes

There were no changes in benefit provisions in the last two fiscal years.

The accompanying schedules of the Commission's net pension liability and contributions to the Plan are required supplementary information to be presented for 10 years. However, until a full 10-year trend is compiled, information is presented in the schedules for those years for which information is available.

Utility Commission
City of Fort Valley, Georgia
Combining Schedule of Operating Revenues and Expenses
(After Cost Allocation)
For the Year Ended September 30, 2021

	Natural Gas	Electric	Water	Sewer	Telecom	Total
Operating Revenues						
Charges for services	\$ 4,176,166	\$ 13,741,813	\$ 2,807,171	\$ 2,294,273	\$ 419,042	\$ 23,438,465
Miscellaneous	174,512	564,002	50,887	13,600	1,525	804,526
Total Operating Revenues	4,350,678	14,305,815	2,858,058	2,307,873	420,567	24,242,991
Operating Expenses						
Personal services	609,569	982,596	1,275,686	1,080,836	127,133	4,075,820
Purchased services	511,495	1,474,911	721,899	756,470	46,017	3,510,792
Materials and supplies	31,287	47,195	102,083	119,402	15,776	315,743
Repairs and maintenance	92,197	164,481	220,742	215,636	26,230	719,286
Gas and electric purchased for resale	2,241,165	9,936,155	-	-	42,746	12,220,066
Depreciation	179,545	183,879	400,603	603,601	97,047	1,464,675
Miscellaneous	(11,765)	(17,648)	(16,765)	(11,765)	(882)	(58,825)
Total Operating Expenses	3,653,493	12,771,569	2,704,248	2,764,180	354,067	22,247,557
Operating Income (Loss)	\$ 697,185	\$ 1,534,246	\$ 153,810	\$ (456,307)	\$ 66,500	\$ 1,995,434

Utility Commission
City of Fort Valley, Georgia
Combining Schedule of Operating Revenues and Expenses
(Before Cost Allocation)
For the Year Ended September 30, 2021

	Natural Gas	Electric	Water	Sewer	Telecom
Operating Revenues					
Charges for services	\$ 4,176,166	\$ 13,741,813	\$ 2,807,171	\$ 2,294,273	\$ 419,042
Miscellaneous	174,512	564,002	50,887	13,600	1,525
Total Operating Revenues	4,350,678	14,305,815	2,858,058	2,307,873	420,567
Operating Expenses					
Personal services	267,636	469,697	788,432	738,903	101,488
Purchased services	315,952	1,181,597	443,251	560,927	31,351
Materials and supplies	19,933	30,160	85,900	108,045	14,924
Repairs and maintenance	66,190	125,470	183,681	189,629	24,279
Gas and electric purchased for resale	2,241,165	9,936,155	-	-	42,746
Depreciation	152,365	143,109	361,871	576,421	95,008
Miscellaneous	-	-	-	-	-
Total Operating Expenses	3,063,241	11,886,188	1,863,135	2,173,925	309,796
Operating Income (Loss)	\$ 1,287,437	\$ 2,419,627	\$ 994,923	\$ 133,948	\$ 110,771

Administrative, Meter and Warehouse Costs			Total	
104	105	106	Administration	Total
\$ -	\$ -	\$ -	\$ -	\$ 23,438,465
61,185	-	-	61,185	865,711
61,185	-	-	61,185	24,304,176
1,338,960	280,554	90,150	1,709,664	4,075,820
916,670	32,795	28,248	977,713	3,510,791
19,346	7,249	30,188	56,783	315,745
100,159	12,799	17,079	130,037	719,286
-	-	-	-	12,220,066
135,901	-	-	135,901	1,464,675
2,359	-	-	2,359	2,359
2,513,395	333,397	165,665	3,012,457	22,308,742
\$ (2,452,210)	\$ (333,397)	\$ (165,665)	\$ (2,951,272)	\$ 1,995,434

Utility Commission
City of Fort Valley, Georgia
Combining Schedule of Operating Revenues and Expenses
(After Cost Allocation)
For the Year Ended September 30, 2020

	Natural Gas	Electric	Water	Sewer	Telecom	Total
Operating Revenues						
Charges for services	\$ 3,897,016	\$ 13,462,684	\$ 2,628,224	\$ 2,148,956	\$ 403,954	\$ 22,540,834
Miscellaneous	158,268	1,372,194	33,900	64,178	1,674	1,630,214
Total Operating Revenues	4,055,284	14,834,878	2,662,124	2,213,134	405,628	24,171,048
Operating Expenses						
Personal services	663,424	1,103,560	1,356,608	1,118,515	161,114	4,403,221
Purchased services	547,026	1,531,562	740,990	741,814	54,443	3,615,835
Materials and supplies	38,306	61,010	95,905	136,248	4,800	336,269
Repairs and maintenance	89,234	201,599	235,209	184,454	55,279	765,775
Gas and electric purchased for resale	1,858,075	10,256,126	-	-	30,495	12,144,696
Depreciation	181,238	181,005	394,137	600,455	89,149	1,445,984
Miscellaneous	22,641	33,962	32,264	22,641	1,698	113,206
Total Operating Expenses	3,399,944	13,368,824	2,855,113	2,804,127	396,978	22,824,986
Operating Income (Loss)	\$ 655,340	\$ 1,466,054	\$ (192,989)	\$ (590,993)	\$ 8,650	\$ 1,346,062

Utility Commission
City of Fort Valley, Georgia
Combining Schedule of Operating Revenues and Expenses
(Before Cost Allocation)
For the Year Ended September 30, 2020

	Natural Gas	Electric	Water	Sewer	Telecom
Operating Revenues					
Charges for services	\$ 3,897,016	\$ 13,462,684	\$ 2,628,224	\$ 2,148,956	\$ 403,954
Miscellaneous	158,268	1,372,194	33,900	64,178	1,674
Total Operating Revenues	4,055,284	14,834,878	2,662,124	2,213,134	405,628
Operating Expenses					
Personal services	301,972	561,382	841,539	757,063	134,005
Purchased services	326,187	1,200,303	426,294	520,975	37,880
Materials and supplies	21,795	36,242	72,375	119,736	3,562
Repairs and maintenance	59,081	156,370	192,241	154,301	53,018
Gas and electric purchased for resale	1,858,075	10,256,126	-	-	30,495
Depreciation	153,387	139,229	354,450	572,604	87,060
Miscellaneous	-	-	-	-	-
Total Operating Expenses	2,720,497	12,349,652	1,886,899	2,124,679	346,020
Operating Income (Loss)	\$ 1,334,787	\$ 2,485,226	\$ 775,225	\$ 88,455	\$ 59,608

Administrative, Meter and Warehouse Costs			Total	
104	105	106	Administration	Total
\$ -	\$ -	\$ -	\$ -	\$ 22,540,834
64,799	-	-	64,799	1,695,013
64,799	-	-	64,799	24,235,847
1,426,355	289,226	91,678	1,807,259	4,403,220
1,037,734	36,818	29,643	1,104,195	3,615,834
24,802	8,866	48,893	82,561	336,271
123,617	7,414	19,733	150,764	765,775
-	-	-	-	12,144,696
139,254	-	-	139,254	1,445,984
178,005	-	-	178,005	178,005
2,929,767	342,324	189,947	3,462,038	22,889,785
\$ (2,864,968)	\$ (342,324)	\$ (189,947)	\$ (3,397,239)	\$ 1,346,062

Utility Commission
City of Fort Valley, Georgia
Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual
(Before Cost Allocation)
For the Years Ended September 30, 2021 and 2020

Object Classification	2021			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for services:				
Electric	\$ 13,688,153	\$ 13,688,153	\$ 13,721,598	\$ 33,445
Gas	4,227,281	4,227,281	4,167,857	(59,424)
Water	2,745,973	2,745,973	2,799,457	53,484
Sewer	2,173,385	2,173,385	2,285,891	112,506
Telecom	374,824	374,824	418,930	44,106
Fees	379,839	379,839	366,365	(13,474)
Investment earnings	114,211	114,211	2,784	(111,427)
Miscellaneous	359,884	359,884	2,225,801	1,865,917
Total Revenues	24,063,550	24,063,550	25,988,683	1,925,133
Expenses:				
Personal Services:				
Salaries and wages	3,228,798	3,228,798	2,874,499	354,299
Payroll taxes	244,557	244,557	209,804	34,753
Group insurance	1,116,371	1,116,371	771,115	345,256
Pension	379,258	379,258	196,821	182,437
Uniforms	47,334	47,334	15,895	31,439
Safety shoes	9,975	9,975	7,686	2,289
Total Personal Services	5,026,293	5,026,293	4,075,820	950,473
Purchased Services:				
Professional services - audit	40,000	40,000	37,901	2,099
Professional services - legal	172,000	172,000	184,694	(12,694)
Professional services - engineering	71,200	71,200	9,599	61,601
Professional services - other	762,909	762,909	540,176	222,733
Professional services - MEAG Power	7,650	7,650	7,076	574
Communications - postage	44,100	44,100	16,678	27,422
Communications - telephones	84,960	84,960	57,886	27,074
Utilities	693,940	693,940	614,279	79,661
Advertising	9,700	9,700	5,825	3,875
Transportation, room and board	79,000	79,000	25,763	53,237
Continuing professional education	85,175	85,175	25,040	60,135
Insurance	281,000	281,000	240,549	40,451
Total Purchased Services	2,331,634	2,331,634	1,765,466	566,168
Total Expenses Carried Forward	7,357,927	7,357,927	5,841,286	1,516,641

2020			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 13,653,522	\$ 13,653,522	\$ 13,508,460	\$ (145,062)
4,113,032	4,113,032	3,910,634	(202,398)
2,748,484	2,748,484	2,651,769	(96,715)
2,233,123	2,233,123	2,170,935	(62,188)
426,000	426,000	405,065	(20,935)
342,297	342,297	401,602	59,305
47,053	47,053	108,805	61,752
456,751	456,751	4,137,426	3,680,675
24,020,262	24,020,262	27,294,696	3,274,434
3,191,640	3,191,640	3,017,771	173,869
241,774	241,774	216,246	25,528
1,068,841	1,068,841	814,105	254,736
340,613	340,613	331,512	9,101
52,184	52,184	17,880	34,304
10,950	10,950	5,706	5,244
4,906,002	4,906,002	4,403,220	502,782
40,000	40,000	36,067	3,933
351,200	351,200	309,506	41,694
86,000	86,000	3,610	82,390
701,760	701,760	557,440	144,320
7,650	7,650	6,770	880
44,300	44,300	38,057	6,243
70,060	70,060	108,323	(38,263)
693,900	693,900	604,064	89,836
10,000	10,000	2,938	7,062
81,000	81,000	25,005	55,995
86,375	86,375	48,053	38,322
270,000	270,000	268,680	1,320
2,442,245	2,442,245	2,008,513	433,732
7,348,247	7,348,247	6,411,733	936,514

Utility Commission
City of Fort Valley, Georgia
Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual
(Before Cost Allocation)
For the Years Ended September 30, 2021 and 2020

Object Classification	2021			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Total Expenses Brought Forward	\$ 7,357,927	\$ 7,357,927	\$ 5,841,286	\$ 1,516,641
Materials and Supplies:				
General office	21,300	21,300	10,525	10,775
Printed forms	2,400	2,400	2,060	340
General operating	298,500	298,500	164,315	134,185
Hand tools and small equipment	43,800	43,800	37,746	6,054
Safety	29,700	29,700	13,967	15,733
Custodial	13,200	13,200	7,246	5,954
City of Fort Valley	8,000	8,000	209	7,791
Vehicles and equipment - fuel and oil	91,300	91,300	79,713	11,587
Total Materials and Supplies	508,200	508,200	315,781	192,419
Repairs and Maintenance:				
Metering service	105,000	105,000	25,494	79,506
Overhead lines	138,000	138,000	65,871	72,129
Underground lines	194,000	194,000	133,765	60,235
Stations	59,000	59,000	50,355	8,645
Office equipment	62,700	62,700	75,067	(12,367)
Vehicles	76,000	76,000	64,254	11,746
Heavy equipment	119,000	119,000	81,323	37,677
Communications	8,850	8,850	4,627	4,223
Buildings	108,500	108,500	36,412	72,088
Other	209,000	209,000	182,118	26,882
Total Repairs and Maintenance	1,080,050	1,080,050	719,286	360,764
Total Gas and Electric Purchased For Resale	12,527,237	12,527,237	12,220,067	307,170
Depreciation	1,488,560	1,488,560	1,464,676	23,884
Total Expenses Carried Forward	22,961,974	22,961,974	20,561,096	2,400,878

2020			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 7,348,247	\$ 7,348,247	\$ 6,411,733	\$ 936,514
21,300	21,300	14,764	6,536
2,400	2,400	1,866	534
319,100	319,100	171,874	147,226
46,500	46,500	29,657	16,843
29,900	29,900	22,341	7,559
10,200	10,200	14,606	(4,406)
8,000	8,000	8,779	(779)
92,800	92,800	72,516	20,284
530,200	530,200	336,403	193,797
105,000	105,000	47,320	57,680
138,000	138,000	100,381	37,619
197,000	197,000	131,078	65,922
59,500	59,500	41,162	18,338
91,650	91,650	87,231	4,419
73,000	73,000	71,745	1,255
106,900	106,900	91,047	15,853
7,350	7,350	1,465	5,885
110,750	110,750	71,628	39,122
229,000	229,000	122,718	106,282
1,118,150	1,118,150	765,775	352,375
12,472,166	12,472,166	12,144,696	327,470
1,430,700	1,430,700	1,445,983	(15,283)
22,899,463	22,899,463	21,104,590	1,794,873

Utility Commission
City of Fort Valley, Georgia
Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual
(Before Cost Allocation)
For the Years Ended September 30, 2021 and 2020

Object Classification	2021			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Total Expenses Brought Forward	\$ 22,961,974	\$ 22,961,974	\$ 20,561,096	\$ 2,400,878
Miscellaneous:				
Operating	227,000	227,000	107,615	119,385
Non-operating	129,083	129,083	210,143	(81,060)
Interest	92,000	92,000	50,982	41,018
Bad debts/(recoveries)	102,936	102,936	(28,875)	131,811
Franchise fees	1,391,076	1,391,076	1,406,308	(15,232)
City of Roberta collection fees	6,000	6,000	2,261	3,739
Aid to other governments	1,000	1,000	-	1,000
Total Miscellaneous	1,949,095	1,949,095	1,748,434	200,661
Total Expenses	24,911,069	24,911,069	22,309,530	2,601,539
Net Income - Budgetary Basis	\$ (847,519)	\$ (847,519)	3,679,153	\$ 4,526,672
Non-budgeted Items:				
Contributions			-	
Gain/(Loss) on disposal of capital assets			-	
Inventory adjustments			(3,984)	
Change in Net Position - GAAP Basis			\$ 3,675,169	

2020			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 22,899,463	\$ 22,899,463	\$ 21,104,590	\$ 1,794,873
230,486	233,986	285,585	(51,599)
126,083	126,083	149,864	(23,781)
75,000	75,000	55,398	19,602
77,400	77,400	119,035	(41,635)
1,388,950	1,388,950	1,352,449	36,501
6,000	6,000	3,152	2,848
1,000	1,000	-	1,000
1,904,919	1,908,419	1,965,483	(57,064)
24,804,382	24,807,882	23,070,073	1,737,809
\$ (784,120)	\$ (787,620)	4,224,623	\$ 5,012,243
		30,310	
		-	
		18,861	
		\$ 4,273,794	

STATISTICAL SECTION
(UNAUDITED)

Utility Commission
City of Fort Valley, Georgia
Statistical Section Summary
(Unaudited)

This statistical section of the Utility Commission's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents

Table

Financial Trends

S-1 - S-17

These tables contain trend information that may assist the reader in assessing the Utility Commission's current financial performance by placing it in a historical perspective.

Revenue Capacity

S-18 - S-27

These tables contain information that may assist the reader in assessing the viability of the Utility Commission's most significant "own-source" revenue source, which is electric user charges. In addition, the Utility Commission has provided this information for each of its utilities.

Debt Capacity

S-28 & S-29

These tables present information that may assist the reader in analyzing the affordability of the Utility Commission's current levels of outstanding debt and the Utility Commission's ability to issue additional debt in the future. The Utility Commission may not issue general obligation debt since it has no authority to levy property taxes. However, the Utility Commission may issue notes.

Demographic and Economic Information

S-30 & S-31

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Utility Commission operates and (2) to provide information that facilitates comparisons of financial statement information over time and among utility entities.

Operating Information

S-32 - S-34

These tables contain service and infrastructure indicators that can inform one's understanding of how the information in the Utility Commission's financial statements relates to the services the Utility Commission provides and the activities it performs.

Data Source:

Unless otherwise noted, the information in these tables is derived from the annual financial report for the applicable year. The Utility Commission implemented GASB Statement No. 34 in 2004, however, all reported periods have been restated to conform to this GASB statement.

FINANCIAL TRENDS
(UNAUDITED)

Table S-1

Utility Commission
City of Fort Valley, Georgia
Changes in Net Position - All Services
Last Ten Fiscal Years

Amounts ⁴							
Fiscal Year	Operating Revenue	Operating Expenses ^{1,5}	Operating Income	Total Net Nonoperating Revenue (Expense) ⁶	Income (Loss) Before Capital Contributions	Net Capital Contributions	Change in Net Position
2012	\$ 19,896,745	\$ 19,763,261	\$ 133,484	\$ (38,822)	\$ 94,662	\$ -	\$ 94,662
2013	21,267,220	20,290,751	976,469	(124,897)	851,572	31,620	883,192
2014	22,247,273	21,306,624	940,649	75,712	1,016,361	45,450	1,061,811
2015	20,816,655	19,818,975	997,680	160,948	1,158,628	3,236,169	4,394,797
2016	21,360,140	21,375,377	(15,237)	317,432	302,195	306,844	609,039
2017	22,466,071	21,430,767	1,035,304	67,235	1,102,539	238,040	1,340,579
2018	22,530,214	21,989,347	540,867	(11,102)	529,765	38,062	567,827
2019	24,299,978	23,679,204	620,774	230,866	851,640	-	851,640
2020	24,171,048	22,824,986	1,346,062	53,407	1,399,469	2,874,324	4,273,793
2021	24,242,991	22,247,557	1,995,434	(48,199)	1,947,235	1,727,934	3,675,169
Annual Percentage Change							
2012	-1.5%	2.0%	83.6%	-14.0%	-87.7%	-100.0%	-87.7%
2013	6.9%	2.7%	-631.5%	221.7%	799.6%	0.0%	833.0%
2014	4.6%	5.0%	-3.7%	-160.6%	19.4%	43.7%	20.2%
2015	-6.4%	-7.0%	6.1%	-112.6%	14.0%	7020.3%	313.9%
2016	2.6%	7.9%	-101.5%	-97.2%	-73.9%	-90.5%	-86.1%
2017	5.2%	0.3%	-6894.7%	78.8%	264.8%	-22.4%	120.1%
2018	0.3%	2.6%	-47.8%	116.5%	-52.0%	-84.0%	-57.6%
2019	7.9%	7.7%	14.8%	2179.5%	60.8%	-100.0%	50.0%
2020	-0.5%	-3.6%	116.8%	-76.9%	64.3%	0.0%	401.8%
2021	0.3%	-2.5%	48.2%	-190.2%	39.1%	-39.9%	-14.0%

Notes:

¹ Includes the allocation of funds to the City of Fort Valley, Georgia.

² Includes a special item for early payment to MEAG for telecom MEAG debt.

Data Sources:

⁴ Applicable years' annual financial report.

⁵ Table S-2

⁶ Table S-3

Utility Commission
City of Fort Valley, Georgia
Chart - Total Operating Income (Loss)
Last Ten Fiscal Years

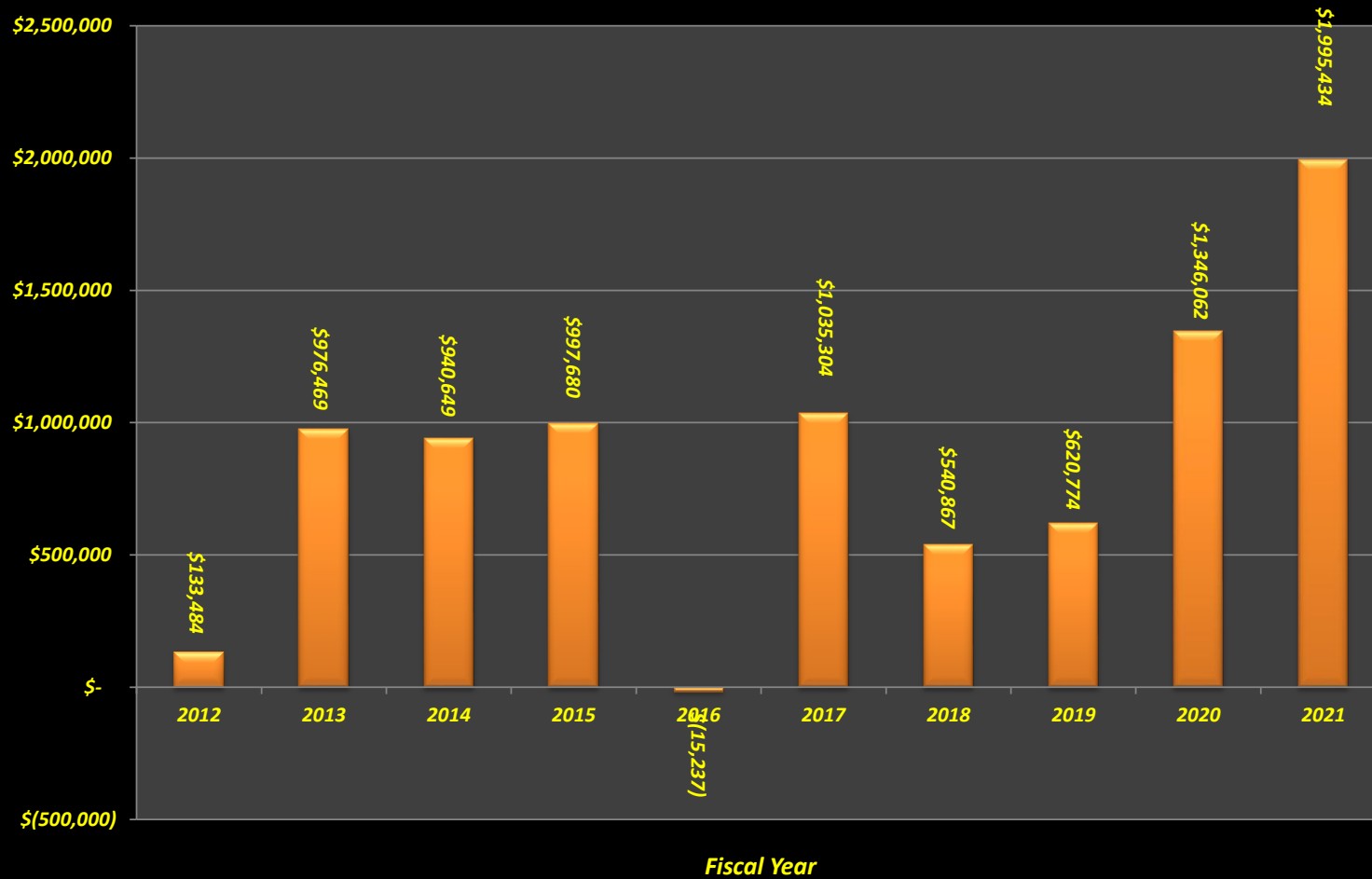


Table S-2

**Utility Commission
City of Fort Valley, Georgia
Operating Expenses - By Object
All Services
Last Ten Fiscal Years**

Amounts ^{1, 2}								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Electric and Gas Purchased	Depreciation	Miscellaneous	Total
2012	\$ 4,295,278	\$ 2,190,231	\$ 518,231	\$ 763,552	\$ 10,709,430	\$ 1,128,816	\$ 157,723	\$ 19,763,261
2013	4,490,076	2,101,462	536,228	857,651	10,923,283	1,101,687	280,364	20,290,751
2014	4,432,613	2,244,440	565,726	764,319	11,742,660	1,098,466	458,400	21,306,624
2015	3,846,579	2,161,236	470,193	925,007	11,170,507	1,120,006	125,447	19,818,975
2016	4,622,006	2,586,219	462,810	924,647	11,456,048	1,217,664	105,983	21,375,377
2017	4,326,871	2,954,967	469,665	818,300	11,309,107	1,237,390	314,467	21,430,767
2018	4,411,550	3,402,470	454,663	876,320	11,396,769	1,251,625	195,950	21,989,347
2019	4,007,100	3,976,063	451,602	868,910	12,922,941	1,354,148	98,440	23,679,204
2020	4,403,221	3,615,835	336,269	765,775	12,144,696	1,445,984	113,206	22,824,986
2021	4,075,820	3,510,792	315,743	719,286	12,220,066	1,464,675	(58,825)	22,247,557
*	\$ 4,291,111	\$ 2,874,372	\$ 458,113	\$ 828,377	\$ 11,599,551	\$ 1,242,046	\$ 179,116	\$ 21,472,685
**	-5.1%	60.3%	-39.1%	-5.8%	14.1%	29.8%	-137.3%	12.6%
Annual Percentage Change								
2012	2.1%	6.9%	0.3%	-15.3%	4.4%	-6.2%	-35.6%	2.0%
2013	4.5%	-4.1%	3.5%	12.3%	2.0%	-2.4%	77.8%	2.7%
2014	-1.3%	6.8%	5.5%	-10.9%	7.5%	-0.3%	63.5%	5.0%
2015	-13.2%	-3.7%	-16.9%	21.0%	-4.9%	2.0%	-72.6%	-7.0%
2016	20.2%	19.7%	-1.6%	0.0%	2.6%	8.7%	-15.5%	7.9%
2017	-6.4%	14.3%	1.5%	-11.5%	-1.3%	1.6%	196.7%	0.3%
2018	2.0%	15.1%	-3.2%	7.1%	0.8%	1.2%	-37.7%	2.6%
2019	-9.2%	16.9%	-0.7%	-0.8%	13.4%	8.2%	-49.8%	7.7%
2020	9.9%	-9.1%	-25.5%	-11.9%	-6.0%	6.8%	15.0%	-3.6%
2021	-7.4%	-2.9%	-6.1%	-6.1%	0.6%	1.3%	-152.0%	-2.5%

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ Amounts presented after cost allocation.

Data Source:

² Applicable years' annual financial report.

Table S-3

Utility Commission
City of Fort Valley, Georgia
Nonoperating Revenues and Expenses ³
All Services
Last Ten Fiscal Years

Fiscal Year	Interest and Fiscal Charges	Investment Earnings	Gain (Loss) on Disposal of Capital Assets	Net Other Revenue (Expenses)	Net Nonoperating Revenues and (Expenses)
2012	\$ (68,093)	\$ 30,322	\$ (1,050)	\$ -	\$ (38,821)
2013	(64,787)	13,961	(74,071) ¹	-	(124,897)
2014	(61,372)	145,845	(8,761) ²	-	75,712
2015	(57,827)	218,775	-	-	160,948
2016	(56,883)	374,315	-	-	317,432
2017	(60,463)	127,698	-	-	67,235
2018	(64,761)	53,659	-	-	(11,102)
2019	(60,505)	284,911	6,460	-	230,866
2020	(55,398)	108,805	-	-	53,407
2021	(50,983)	2,784	-	-	(48,199)

Notes:

¹ The loss on the abandonment of the telecom 900 Mhz wireless system.

² The loss on the sale of the Peach Shaving Plant = \$13,900.

Data Source:

³ Applicable years' annual financial report.

Table S-4

Utility Commission
City of Fort Valley, Georgia
Annual Capital Contributions - By Source - All Services
Last Ten Fiscal Years

Fiscal Year	Amounts ^{1, 5}			
	Developers	State of Georgia ²	Other ^{3,4,6}	Total
2012	\$ -	\$ -	\$ -	\$ -
2013	-	31,620	-	31,620
2014	-	-	45,450	45,450
2015	150,022	-	3,086,147	3,236,169
2016	-	306,844	-	306,844
2017	-	238,040	-	238,040
2018	-	38,062	-	38,062
2019	-	-	-	-
2020	-	-	2,874,324	2,874,324
2021	-	579,495	1,148,439	1,727,934

Notes:

¹ Negative capital contributions are transfers of capital assets to other entities or retirement of capital assets acquired with capital contributions.

² Fiscal year 2016, 2017 and 2018 include a capital grant received from GEFA.

³ Includes a cash contribution from Peach County from 2000 SPLOST funds for the Walter S. Lanter Water Reclamation Facility and the East Peach County Sewer Project.

⁴ 2015 amount for Southwest Peach County Sewer Project.

⁶ 2020 amount for Southwest Peach County Sewer Project from Peach County Board of Commissioners, Southern Flavor Farms Project from Peach County Development Authority & Peach County High School Sewer from Peach County Board of Education.

Data Source:

⁵ Applicable years' annual financial report.

Table S-5

Utility Commission
City of Fort Valley, Georgia
Summary of Operating Revenue, Expenses and Operating Income (Loss)
Natural Gas Service
Last Ten Fiscal Years

Fiscal Year²	Operating Revenue^{1, 4}		Operating Expenses⁴		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2012	\$ 3,705,571	14.7%	\$ 3,594,228	-15.7%	\$ 111,343	36.5%
2013 ³	4,222,317	13.9%	3,824,541	6.4%	397,776	257.3%
2014	4,893,129	15.9%	4,472,517	16.9%	420,612	5.7%
2015	3,789,576	-22.6%	3,395,906	-24.1%	393,670	-6.4%
2016	3,322,854	-12.3%	3,021,830	-11.0%	301,024	-23.5%
2017	3,981,459	19.8%	3,377,937	11.8%	603,522	100.5%
2018	4,267,120	7.2%	3,636,327	7.6%	630,793	4.5%
2019	4,732,213	10.9%	4,238,489	16.6%	493,724	-21.7%
2020	4,055,284	-14.3%	3,399,944	-19.8%	655,340	32.7%
2021	4,350,678	7.3%	3,653,493	7.5%	697,185	6.4%

Notes:

¹ Includes charges for services and miscellaneous revenue.

² Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

³ Fiscal year rate increase across the board effective October 2012.

Data Source:

⁴ Table S-6

Utility Commission
 City of Fort Valley, Georgia
 Natural Gas Services
 Chart - Operating Revenues and Expenses
 (in \$1,000)
 Last Ten Fiscal Years

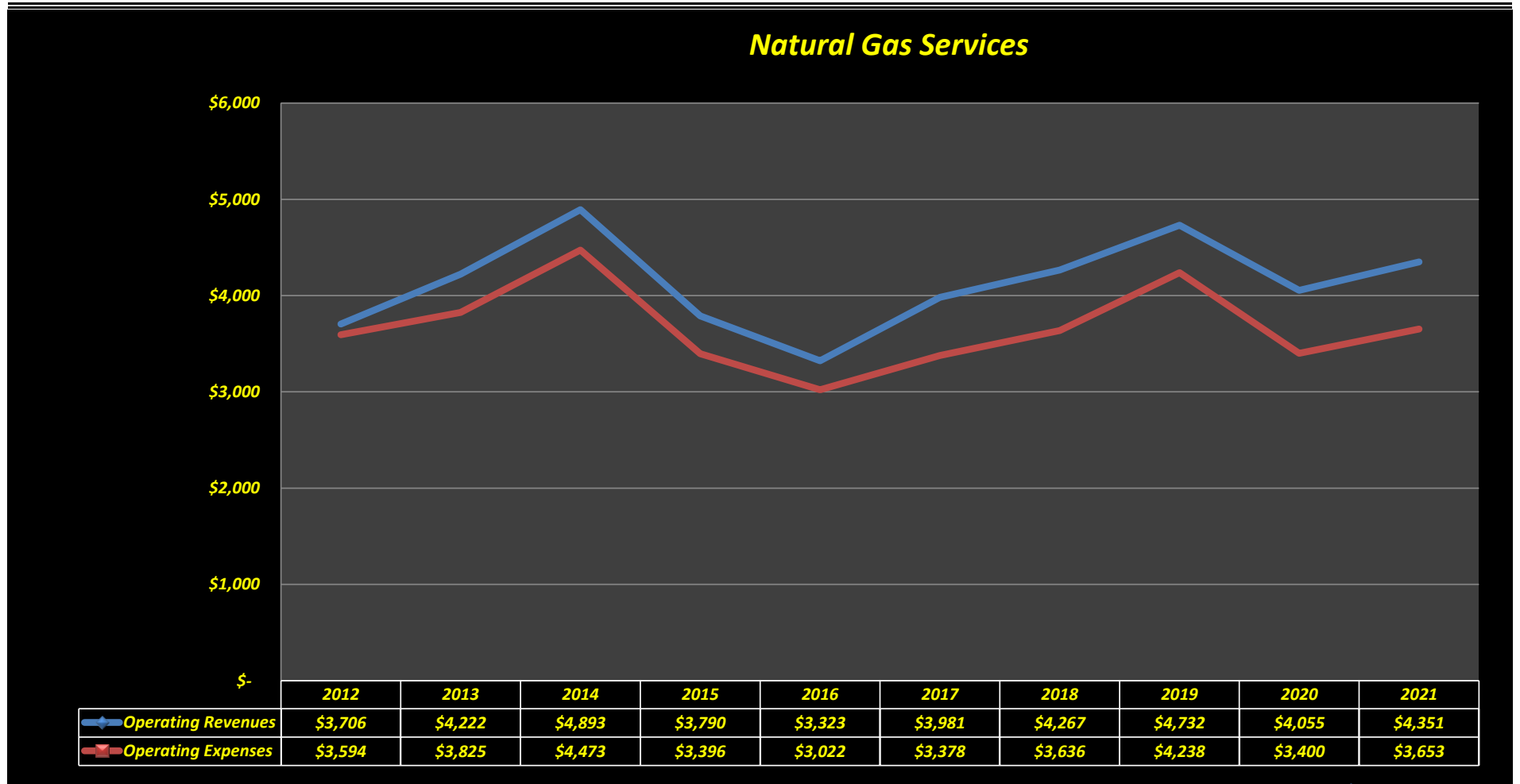


Table S-6

Utility Commission - City of Fort Valley, Georgia
Detailed Operating Revenues, Expenses and Operating Income (Loss)
Natural Gas Service
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Amounts ^{1,2,3}										
Operating Revenues	\$ 4,345,343	\$ 3,705,571	\$ 4,222,317	\$ 4,893,129	\$ 3,322,854	\$ 3,981,459	\$ 4,267,120	\$ 4,732,213	\$ 4,055,284	\$ 4,350,678
Operating Expenses:										
Personal services	800,567	820,994	808,499	680,836	828,913	755,144	742,067	619,520	663,424	609,569
Purchased services	449,059	362,462	415,124	412,847	414,170	459,537	481,505	670,864	547,026	511,495
Materials and supplies	56,209	49,586	58,221	45,247	58,271	40,804	44,170	64,245	38,306	31,287
Repairs and maintenance	137,777	131,471	133,135	144,166	158,976	127,713	135,016	123,206	89,234	92,197
Gas purchased for resale	1,976,899	2,263,093	2,837,813	1,961,721	1,415,539	1,804,472	2,063,566	2,584,705	1,858,075	2,241,165
Depreciation	139,574	136,236	121,169	124,118	124,765	127,373	130,813	156,261	181,238	179,545
Miscellaneous	34,143	60,699	98,556	26,971	21,196	62,893	39,190	19,688	22,641	(11,765)
Total Operating Expenses	3,594,228	3,824,541	4,472,517	3,395,906	3,021,830	3,377,936	3,636,327	4,238,489	3,399,944	3,653,493
Operating Income (Loss)	\$ 751,115	\$ (118,970)	\$ (250,200)	\$ 1,497,223	\$ 301,024	\$ 603,523	\$ 630,793	\$ 493,724	\$ 655,340	\$ 697,185
Percentage of Total										
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	22.3%	21.5%	18.1%	20.0%	27.4%	22.4%	20.4%	14.6%	19.5%	16.7%
Purchased services	12.5%	9.5%	9.3%	12.2%	13.7%	13.6%	13.2%	15.8%	16.1%	14.0%
Materials and supplies	1.6%	1.3%	1.3%	1.3%	1.9%	1.2%	1.2%	1.5%	1.1%	0.9%
Repairs and maintenance	3.8%	3.4%	3.0%	4.2%	5.3%	3.8%	3.7%	2.9%	2.6%	2.5%
Gas purchased for resale	55.0%	59.2%	63.5%	57.8%	46.8%	53.4%	56.7%	61.0%	54.7%	61.3%
Depreciation	3.9%	3.6%	2.7%	3.7%	4.1%	3.8%	3.6%	3.7%	5.3%	4.9%
Miscellaneous	0.9%	1.6%	2.2%	0.8%	0.7%	1.9%	1.1%	0.5%	0.7%	-0.3%
Total Operating Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Income (Loss)										
as a Percentage of										
Operating Revenues	17.3%	-3.2%	-5.9%	30.6%	9.1%	15.2%	14.8%	10.4%	16.2%	16.0%

Notes:¹ Amounts presented after cost allocation.² The major increases in revenue and the cost of natural gas purchased relates to seasonal adjustments, primarily due to extremely cold winters. Also, beginning in the fiscal year 2001, the billing base changed from a fixed price for CCF to a spot market gas price plus a city distribution charge.**Data Source:**³ Applicable years' annual financial report.

Table S-7

**Utility Commission
City of Fort Valley, Georgia
Operating Expenses - By Object
Natural Gas Service
Last Ten Fiscal Years**

Amounts ^{1, 2}								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Gas Purchased	Depreciation	Miscellaneous	Total
2012	\$ 800,567	\$ 449,059	\$ 56,209	\$ 137,777	\$ 1,976,899	\$ 139,574	\$ 34,143	\$ 3,594,228
2013	820,994	362,462	49,586	131,471	2,263,093	136,236	60,699	3,824,541
2014	808,499	415,124	58,221	133,135	2,837,813	121,169	98,556	4,472,517
2015	680,836	412,847	45,247	144,166	1,961,721	124,118	26,971	3,395,906
2016	828,913	414,170	58,271	158,976	1,415,539	124,765	21,196	3,021,830
2017	755,144	459,537	40,804	127,713	1,804,472	127,373	62,893	3,377,936
2018	742,067	481,505	44,170	135,016	2,063,566	130,813	39,190	3,636,327
2019	619,520	670,864	64,245	123,206	2,584,705	156,261	19,688	4,238,489
2020	663,424	547,026	38,306	89,234	1,858,075	181,238	22,641	3,399,944
2021	609,569	511,495	31,287	92,197	2,241,165	179,545	(11,765)	3,653,493
*	\$ 732,953	\$ 472,409	\$ 48,635	\$ 127,289	\$ 2,100,705	\$ 142,109	\$ 37,421	\$ 3,661,521
**	-23.9%	13.9%	-44.3%	-33.1%	13.4%	28.6%	-134.5%	1.6%
Annual Percentage Change								
2012	5.6%	2.9%	19.9%	32.0%	-27.5%	1.0%	-35.6%	-15.7%
2013	2.6%	-19.3%	-11.8%	-4.6%	14.5%	-2.4%	77.8%	6.4%
2014	-1.5%	14.5%	17.4%	1.3%	25.4%	-11.1%	62.4%	16.9%
2015	-15.8%	-0.5%	-22.3%	8.3%	-30.9%	2.4%	-72.6%	-24.1%
2016	21.7%	0.3%	28.8%	10.3%	-27.8%	0.5%	-21.4%	-11.0%
2017	-8.9%	11.0%	-30.0%	-19.7%	27.5%	2.1%	196.7%	11.8%
2018	-1.7%	4.8%	8.2%	5.7%	14.4%	2.7%	-37.7%	7.6%
2019	-16.5%	39.3%	45.4%	-8.7%	25.3%	19.5%	-49.8%	16.6%
2020	7.1%	-18.5%	-40.4%	-27.6%	-28.1%	16.0%	15.0%	-19.8%
2021	-8.1%	-6.5%	-18.3%	3.3%	20.6%	-0.9%	-152.0%	7.5%

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ Amounts presented after cost allocation.

Data Source:

² Table S-6.

Table S-8

Utility Commission
City of Fort Valley, Georgia
Summary of Operating Revenue, Expenses and Operating Income (Loss) ⁶
Electric Service
Last Ten Fiscal Years

Fiscal Year ²	Operating Revenue ¹		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2012 ⁴	\$ 11,966,896	2.8%	\$ 11,203,817	12.4%	\$ 763,079	-54.3%
2013 ⁵	12,427,917	3.9%	11,287,894	0.8%	1,140,023	49.4%
2014	12,630,849	1.6%	11,642,340	3.1%	988,509	-13.3%
2015	12,615,501	-0.1%	11,682,466	0.3%	933,035	-5.6%
2016	13,041,534	3.4%	12,595,767	7.8%	445,767	-52.2%
2017	12,895,372	-1.1%	12,159,353	-3.5%	736,019	65.1%
2018	12,754,118	-1.1%	12,000,105	-1.3%	754,013	2.4%
2019	14,153,592	11.0%	13,318,543	11.0%	835,049	10.7%
2020	14,834,878	4.8%	13,368,824	0.4%	1,466,054	75.6%
2021	14,305,815	-3.6%	12,771,569	-4.5%	1,534,246	4.7%

Notes:

¹ Includes charges for services and miscellaneous revenue.

² Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

⁴ Mid-year rate increase March 1, 2012. Power Cost Adjustment included in new rates.

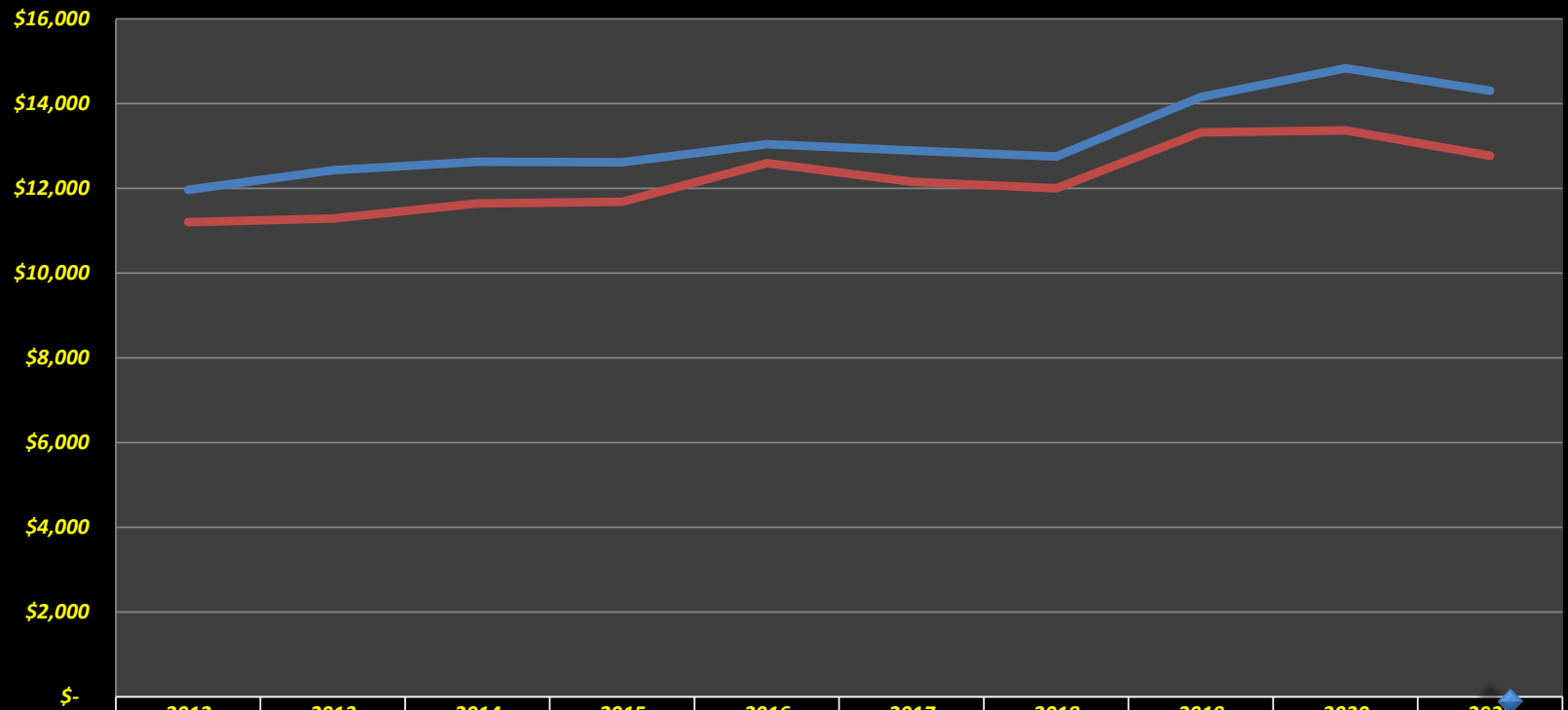
⁵ Fiscal year rate increase across the board effective October 2012.

Data Source:

⁶ Table S-9

Utility Commission
 City of Fort Valley, Georgia
 Electric Services
 Chart - Operating Revenues and Expenses
 (in \$1,000)
 Last Ten Fiscal Years

Electric Services



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$11,967	\$12,428	\$12,631	\$12,616	\$13,042	\$12,895	\$12,754	\$14,154	\$14,835	\$14,306
Operating Expenses	\$11,204	\$11,288	\$11,642	\$11,682	\$12,596	\$12,159	\$12,000	\$13,319	\$13,369	\$12,772

Table S-9

Utility Commission - City of Fort Valley, Georgia
Detailed Operating Revenues, Expenses and Operating Income (Loss)
Electric Service
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Amounts ^{1,2}										
Operating Revenues	\$ 11,966,896	\$ 12,427,917	\$ 12,630,849	\$12,615,501	\$ 13,041,534	\$12,895,372	\$ 12,754,118	\$ 14,153,592	\$ 14,834,878	\$ 14,305,815
Operating Expenses:										
Personal services	1,086,226	1,154,737	1,135,639	966,681	1,217,944	1,086,737	1,085,260	1,028,435	1,103,560	982,596
Purchased services	957,993	959,508	981,592	976,193	981,446	1,102,807	1,225,657	1,542,193	1,531,562	1,474,911
Materials and supplies	63,764	70,178	77,645	64,612	67,256	60,873	65,962	69,465	61,010	47,195
Repairs and maintenance	135,214	197,312	156,369	158,092	200,694	225,650	185,518	224,196	201,599	164,481
Electric purchased for resale	8,802,401	8,708,725	9,036,228	9,354,234	9,954,882	9,439,998	9,232,565	10,265,675	10,256,126	9,936,155
Depreciation	110,900	113,325	117,347	125,020	141,750	148,948	146,358	159,047	181,005	183,879
Miscellaneous	47,319	84,109	137,520	37,634	31,795	94,340	58,785	29,532	33,962	(17,648)
Total Operating Expenses	11,203,817	11,287,894	11,642,340	11,682,466	12,595,767	12,159,353	12,000,105	13,318,543	13,368,824	12,771,569
Operating Income (Loss)	\$ 763,079	\$ 1,140,023	\$ 988,509	\$ 933,035	\$ 445,767	\$ 736,019	\$ 754,013	\$ 835,049	\$ 1,466,054	\$ 1,534,246
Percentage of Total										
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	9.7%	10.2%	9.8%	8.3%	9.7%	8.9%	9.0%	7.7%	8.3%	7.7%
Purchased services	8.6%	8.5%	8.4%	8.4%	7.8%	9.1%	10.2%	11.6%	11.5%	11.5%
Materials and supplies	0.6%	0.6%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%
Repairs and maintenance	1.2%	1.7%	1.3%	1.4%	1.6%	1.9%	1.5%	1.7%	1.5%	1.3%
Electric purchased for resale	78.6%	77.2%	77.6%	80.1%	79.0%	77.6%	76.9%	77.1%	76.7%	77.8%
Depreciation	1.0%	1.0%	1.0%	1.1%	1.1%	1.2%	1.2%	1.2%	1.4%	1.4%
Miscellaneous	0.4%	0.7%	1.2%	0.3%	0.3%	0.8%	0.5%	0.2%	0.3%	-0.1%
Total Operating Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Income (Loss) as a Percentage of Operating Revenues	6.4%	9.2%	7.8%	7.4%	3.4%	5.7%	5.9%	5.9%	9.9%	10.7%

Notes:¹ Amounts presented after cost allocation.**Data Source:**² Applicable years' annual financial report.

Table S-10

**Utility Commission
City of Fort Valley, Georgia
Operating Expenses - By Object
Electric Service
Last Ten Fiscal Years**

Amounts ^{1, 2}								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Electric Purchased	Depreciation	Miscellaneous	Total
2012	\$ 1,086,226	\$ 957,993	\$ 63,764	\$ 135,214	\$ 8,802,401	\$ 110,900	\$ 47,319	\$ 11,203,817
2013	1,154,737	959,508	70,178	197,312	8,708,725	113,325	84,109	11,287,894
2014	1,135,639	981,592	77,645	156,369	9,036,228	117,347	137,520	11,642,340
2015	966,681	976,193	64,612	158,092	9,354,234	125,020	37,634	11,682,466
2016	1,217,944	981,446	67,256	200,694	9,954,882	141,750	31,795	12,595,767
2017	1,086,737	1,102,807	60,873	225,650	9,439,998	148,948	94,340	12,159,353
2018	1,085,260	1,225,657	65,962	185,518	9,232,565	146,358	58,785	12,000,105
2019	1,028,435	1,542,193	69,465	224,196	10,265,675	159,047	29,532	13,318,543
2020	1,103,560	1,531,562	61,010	201,599	10,256,126	181,005	33,962	13,368,824
2021	982,596	1,474,911	47,195	164,481	9,936,155	183,879	(17,648)	12,771,569
*	\$ 1,084,782	\$ 1,173,386	\$ 64,796	\$ 184,913	\$ 9,498,699	\$ 142,758	\$ 53,735	\$ 12,203,068
**	-9.5%	54.0%	-26.0%	21.6%	12.9%	65.8%	-137.3%	14.0%
Annual Percentage Change								
2012	2.1%	4.5%	-14.1%	-17.4%	16.2%	4.9%	-35.6%	12.4%
2013	6.3%	0.2%	10.1%	45.9%	-1.1%	2.2%	77.7%	0.8%
2014	-1.7%	2.3%	10.6%	-20.8%	3.8%	3.5%	63.5%	3.1%
2015	-14.9%	-0.6%	-16.8%	1.1%	3.5%	6.5%	-72.6%	0.3%
2016	26.0%	0.5%	4.1%	26.9%	6.4%	13.4%	-15.5%	7.8%
2017	-10.8%	12.4%	-9.5%	12.4%	-5.2%	5.1%	196.7%	-3.5%
2018	-0.1%	11.1%	8.4%	-17.8%	-2.2%	-1.7%	-37.7%	-1.3%
2019	-5.2%	25.8%	5.3%	20.8%	11.2%	8.7%	-49.8%	11.0%
2020	7.3%	-0.7%	-12.2%	-10.1%	-0.1%	13.8%	15.0%	0.4%
2021	-11.0%	-3.7%	-22.6%	-18.4%	-3.1%	1.6%	-152.0%	-4.5%

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ Amounts presented after cost allocation.

Data Source:

² Table S-9.

Table S-11

Utility Commission
City of Fort Valley, Georgia
Summary of Operating Revenue, Expenses and Operating Income (Loss) ⁴
Water Service
Last Ten Fiscal Years

Fiscal Year ²	Operating Revenue ¹		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2012	\$ 2,359,258	1.3%	\$ 2,635,501	-6.6%	\$ (276,243)	44.0%
2013 ³	2,464,067	4.4%	2,731,262	3.6%	(267,195)	3.3%
2014	2,566,305	4.1%	2,513,818	-8.0%	52,487	119.6%
2015	2,410,875	-6.1%	2,272,207	-9.6%	138,668	-164.2%
2016	2,627,719	9.0%	2,723,274	19.9%	(95,555)	168.9%
2017	2,731,567	4.0%	2,828,776	3.9%	(97,209)	-1.7%
2018	2,779,533	1.8%	2,950,163	4.3%	(170,630)	75.5%
2019	2,737,948	-1.5%	2,875,459	-2.5%	(137,511)	-19.4%
2020	2,662,124	-2.8%	2,855,113	-0.7%	(192,989)	40.3%
2021	2,858,058	7.4%	2,704,248	-5.3%	153,810	179.7%

Notes:

¹ Includes charges for services and miscellaneous revenue.

² Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

³ Fiscal year rate increase across the board effective October 2012.

Data Source:

⁴ Table S-12

Utility Commission
City of Fort Valley, Georgia
Water Services
Chart - Operating Revenues and Expenses
(in \$1,000)
Last Ten Fiscal Years

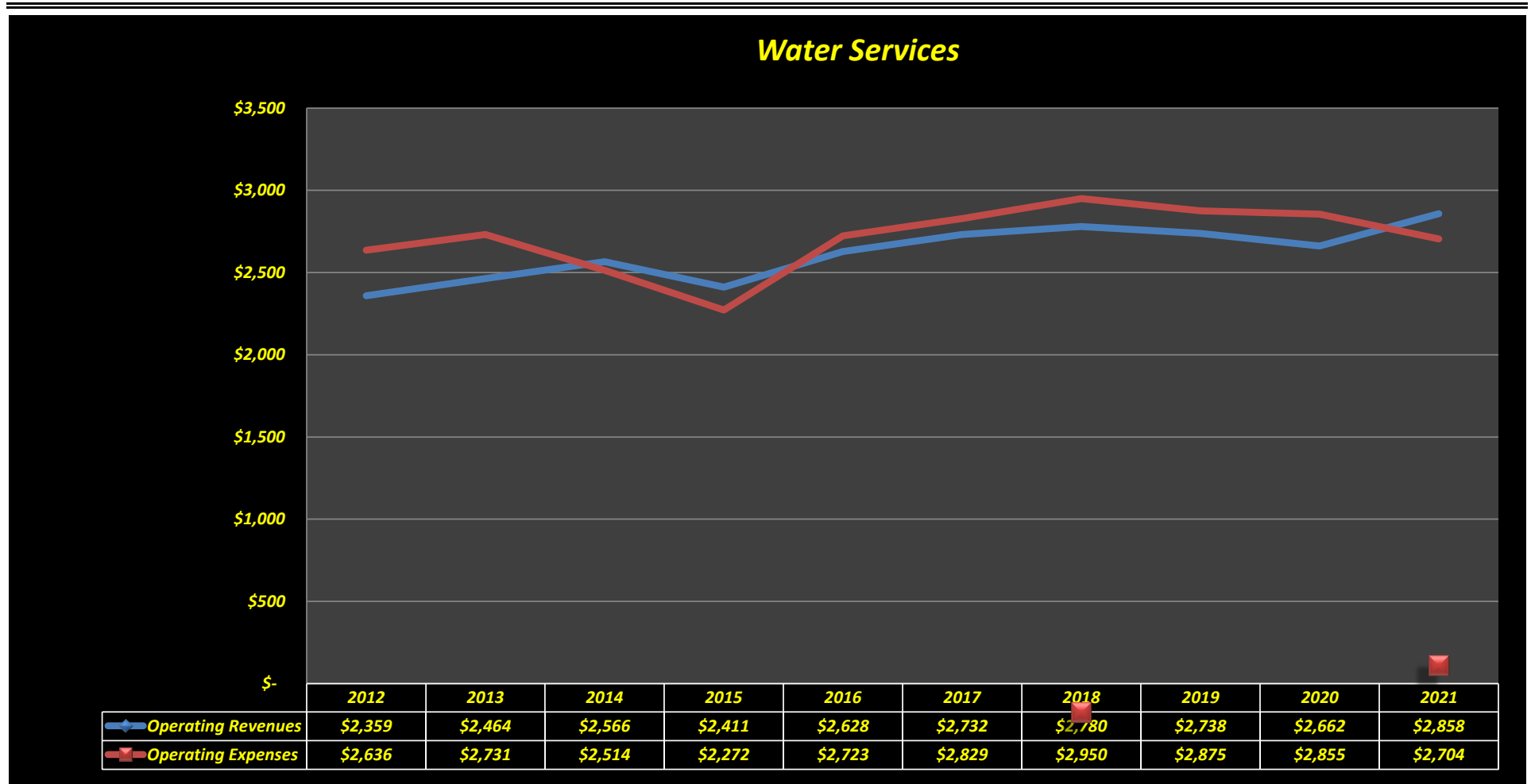


Table S-12

Utility Commission - City of Fort Valley, Georgia
Detailed Operating Revenues, Expenses and Operating Income (Loss)
Water Service
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	Amounts ^{1,2,3}									
Operating Revenues	\$ 2,359,258	\$ 2,464,067	\$ 2,566,305	\$ 2,410,875	\$ 2,627,719	\$ 2,731,567	\$ 2,779,533	\$ 2,737,948	\$ 2,662,124	\$ 2,858,058
Operating Expenses:										
Personal services	1,362,896	1,404,496	1,363,227	1,213,156	1,430,914	1,437,961	1,362,656	1,232,912	1,356,608	1,275,686
Purchased services	461,906	451,321	391,224	342,002	525,356	623,754	764,266	848,268	740,990	721,899
Materials and supplies	148,498	150,615	158,497	127,147	102,247	113,383	124,162	121,830	95,905	102,083
Repairs and maintenance	318,738	354,351	278,940	377,244	305,816	237,569	321,139	282,392	235,209	220,742
Cost of treated water contra expense	(100,714)	(81,895)	(176,501)	(190,990)	-	-	-	-	-	-
Depreciation	399,618	373,171	368,932	368,209	328,736	326,486	322,094	362,002	394,137	400,603
Miscellaneous	44,559	79,203	129,499	35,439	30,205	89,623	55,846	28,055	32,264	(16,765)
Total Operating Expenses	2,635,501	2,731,262	2,513,818	2,272,207	2,723,274	2,828,776	2,950,163	2,875,459	2,855,113	2,704,248
Operating Income (Loss)	\$ (276,243)	\$ (267,195)	\$ 52,487	\$ 138,668	\$ (95,555)	\$ (97,209)	\$ (170,630)	\$ (137,511)	\$ (192,989)	\$ 153,810
	Percentage of Totals									
Operating Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Expenses:										
Personal services	51.7%	51.4%	54.2%	53.4%	52.5%	50.8%	46.2%	42.9%	47.5%	47.2%
Purchased services	17.5%	16.5%	15.6%	15.1%	19.3%	22.1%	25.9%	29.5%	26.0%	26.7%
Materials and supplies	5.6%	5.5%	6.3%	5.6%	3.8%	4.0%	4.2%	4.2%	3.4%	3.8%
Repairs and maintenance	12.1%	13.0%	11.1%	16.6%	11.2%	8.4%	10.9%	9.8%	8.2%	8.2%
Cost of treated water contra expense	-3.8%	-3.0%	-7.0%	-8.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation	15.2%	13.7%	14.7%	16.2%	12.1%	11.5%	10.9%	12.6%	13.8%	14.8%
Miscellaneous	1.7%	2.9%	5.2%	1.6%	1.1%	3.2%	1.9%	1.0%	1.1%	-0.6%
Total Operating Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Income (Loss) as a Percentage of Operating Revenues	-11.7%	-10.8%	2.0%	5.8%	-3.6%	-3.6%	-6.1%	-5.0%	-7.2%	5.4%

Notes:¹ Amounts presented after cost allocation.² Beginning in 2004, the fiber optic service was allocated to each of the remaining services.**Data Source:**³ Applicable years' annual financial report.

Table S-13

Utility Commission
City of Fort Valley, Georgia
Operating Expenses - By Object
Water Service
Last Ten Fiscal Years

Amounts ^{1, 2}									
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Treated Water Contra Expense ³	Depreciation	Miscellaneous	Total	
2012	\$ 1,362,896	\$ 461,906	\$ 148,498	\$ 318,738	\$ (100,714)	\$ 399,618	\$ 44,559	\$ 2,635,501	
2013	1,404,496	451,321	150,615	354,351	(81,895)	373,171	79,203	2,731,262	
2014	1,363,227	391,224	158,497	278,940	(176,501)	368,932	129,499	2,513,818	
2015	1,213,156	342,002	127,147	377,244	(190,990)	368,209	35,439	2,272,207	
2016	1,430,914	525,356	102,247	305,816	-	328,736	30,205	2,723,274	
2017	1,437,961	623,754	113,383	237,569	-	326,486	89,623	2,828,776	
2018	1,362,656	764,266	124,162	321,139	-	322,094	55,846	2,950,163	
2019	1,232,912	848,268	121,830	282,392	-	362,002	28,055	2,875,459	
2020	1,356,608	740,990	95,905	235,209	-	394,137	32,264	2,855,113	
2021	1,275,686	721,899	102,083	220,742	-	400,603	(16,765)	2,704,248	
*	\$ 1,344,051	\$ 587,099	\$ 124,437	\$ 293,214	\$ (55,010)	\$ 364,399	\$ 50,793	\$ 2,708,982	
**	-6.4%	56.3%	-31.3%	-30.7%	-100.0%	0.2%	-137.6%	2.6%	
Annual Percentage Change									
2012	2.8%	29.2%	-17.0%	-33.3%	42.5%	-17.4%	-35.6%	-6.6%	
2013	3.1%	-2.3%	1.4%	11.2%	-18.7%	-6.6%	77.7%	3.6%	
2014	-2.9%	-13.3%	5.2%	-21.3%	115.5%	-1.1%	63.5%	-8.0%	
2015	-11.0%	-12.6%	-19.8%	35.2%	8.2%	-0.2%	-72.6%	-9.6%	
2016	17.9%	53.6%	-19.6%	-18.9%	-100.0%	-10.7%	-14.8%	19.9%	
2017	0.5%	18.7%	10.9%	-22.3%	#DIV/0!	-0.7%	196.7%	3.9%	
2018	-5.2%	22.5%	9.5%	35.2%	0.0%	-1.3%	-37.7%	4.3%	
2019	-9.5%	11.0%	-1.9%	-12.1%	0.0%	12.4%	-49.8%	-2.5%	
2020	10.0%	-12.6%	-21.3%	-16.7%	0.0%	8.9%	15.0%	-0.7%	
2021	-6.0%	-2.6%	6.4%	-6.2%	0.0%	1.6%	-152.0%	-5.3%	

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ Amounts presented after cost allocation.

³ FYE 2014 \$(176,501) is due to maintaining lift station flows on SR #96.

Data Source:

² Table S-12.

Utility Commission
City of Fort Valley, Georgia
Summary of Operating Revenue, Expenses and Operating Income (Loss) ⁴
Sewer Service
Last Ten Fiscal Years

Fiscal Year ²	Operating Revenue ¹		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2012	\$ 1,865,020	-0.8%	\$ 2,329,715	0.3%	\$ (464,695)	-4.8%
2013 ³	2,152,919	15.4%	2,447,054	5.0%	(294,135)	36.7%
2014	2,156,990	0.2%	2,677,949	9.4%	(520,959)	-77.1%
2015	2,000,699	-7.2%	2,468,396	-7.8%	(467,697)	10.2%
2016	1,973,729	-1.3%	2,674,348	8.3%	(700,619)	-49.8%
2017	2,407,513	22.0%	2,716,801	1.6%	(309,288)	55.9%
2018	2,285,429	-5.1%	2,986,865	9.9%	(701,436)	-126.8%
2019	2,208,031	-3.4%	2,890,263	-3.2%	(682,232)	2.7%
2020	2,213,134	0.2%	2,804,127	-3.0%	(590,993)	13.4%
2021	2,307,873	4.3%	2,764,180	-1.4%	(456,307)	22.8%

Notes:

¹ Includes charges for services and miscellaneous revenue.

² Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

³ Fiscal year rate increase across the board effective October 2012.

Data Source:

⁴ Table S-15

Utility Commission
City of Fort Valley, Georgia
Sewer Services
Chart - Operating Revenues and Expenses
(in \$1,000)
Last Ten Fiscal Years

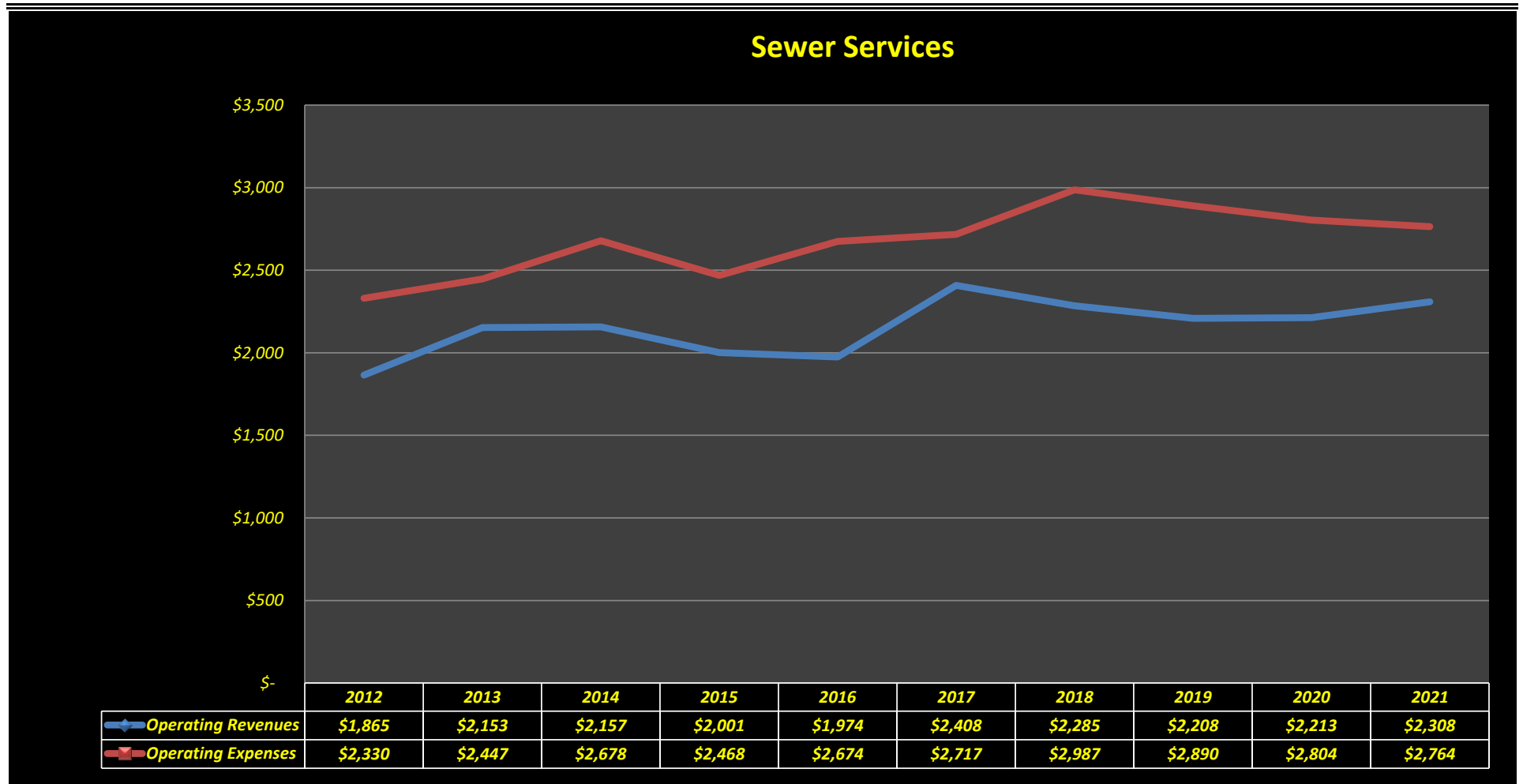


Table S-15

Utility Commission - City of Fort Valley, Georgia
Detailed Operating Revenues, Expenses and Operating Income (Loss)
Sewer Service
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	Amounts ^{1,2,3}									
Operating Revenues	\$ 1,865,020	\$ 2,152,919	\$ 2,156,990	\$ 2,000,699	\$ 1,973,729	\$ 2,407,513	\$ 2,285,429	\$ 2,208,031	\$ 2,213,134	\$ 2,307,873
Operating Expenses:										
Personal services	1,045,589	1,109,849	1,125,247	985,906	992,933	918,996	1,073,340	1,041,237	1,118,515	1,080,836
Purchased services	321,273	328,171	456,500	430,194	652,056	747,798	877,965	854,529	741,814	756,470
Materials and supplies	249,760	265,849	271,362	233,187	218,972	227,812	214,353	190,671	136,248	119,402
Repairs and maintenance	171,823	174,516	195,875	245,505	246,427	205,938	212,569	192,907	184,454	215,636
Cost of treated sewer contra expense	30,844	33,360	45,120	45,542	-	-	-	-	-	-
Depreciation	478,724	478,956	491,019	502,659	542,763	553,364	569,448	591,231	600,455	603,601
Miscellaneous	31,702	56,353	92,826	25,403	21,197	62,893	39,190	19,688	22,641	(11,765)
Total Operating Expenses	2,329,715	2,447,054	2,677,949	2,468,396	2,674,348	2,716,801	2,986,865	2,890,263	2,804,127	2,764,180
Operating Income (Loss)	\$ (464,695)	\$ (294,135)	\$ (520,959)	\$ (467,697)	\$ (700,619)	\$ (309,288)	\$ (701,436)	\$ (682,232)	\$ (590,993)	\$ (456,307)
	Annual Percentage Change									
Operating Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Expenses:										
Personal services	44.9%	45.4%	42.0%	39.9%	37.1%	33.8%	35.9%	36.0%	39.9%	39.1%
Purchased services	13.8%	13.4%	17.0%	17.4%	24.4%	27.5%	29.4%	29.6%	26.5%	27.4%
Materials and supplies	10.7%	10.9%	10.1%	9.4%	8.2%	8.4%	7.2%	6.6%	4.9%	4.3%
Repairs and maintenance	7.4%	7.1%	7.3%	9.9%	9.2%	7.6%	7.1%	6.7%	6.6%	7.8%
Cost of treated sewer contra expense	1.3%	1.4%	1.7%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation	20.5%	19.6%	18.3%	20.4%	20.3%	20.4%	19.1%	20.5%	21.4%	21.8%
Miscellaneous	1.4%	2.3%	3.5%	1.0%	0.8%	2.3%	1.3%	0.7%	0.8%	-0.4%
Total Operating Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Income (Loss) as a Percentage of Operating Revenues	-24.9%	-13.7%	-24.2%	-23.4%	-35.5%	-12.8%	-30.7%	-30.9%	-26.7%	-19.8%

Notes:¹ Amounts presented after cost allocation.² Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.**Data Source:**³ Applicable years' annual financial report.

Table S-16

Utility Commission
City of Fort Valley, Georgia
Operating Expenses - By Object
Sewer Service
Last Ten Fiscal Years

Amounts ^{1, 2}									
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Treated Sewer Contra Expense	Depreciation	Miscellaneous	Total	
2012	\$ 1,045,589	\$ 321,273	\$ 249,760	\$ 171,823	\$ 30,844	\$ 478,724	\$ 31,702	\$ 2,329,715	
2013	1,109,849	328,171	265,849	174,516	33,360	478,956	56,353	2,447,054	
2014	1,125,247	456,500	271,362	195,875	45,120	491,019	92,826	2,677,949	
2015	985,906	430,194	233,187	245,505	45,542	502,659	25,403	2,468,396	
2016	992,933	652,056	218,972	246,427	-	542,763	21,197	2,674,348	
2017	918,996	747,798	227,812	205,938	-	553,364	62,893	2,716,801	
2018	1,073,340	877,965	214,353	212,569	-	569,448	39,190	2,986,865	
2019	1,041,237	854,529	190,671	192,907	-	591,231	19,688	2,890,263	
2020	1,118,515	741,814	136,248	184,454	-	600,455	22,641	2,804,127	
2021	1,080,836	756,470	119,402	215,636	-	603,601	(11,765)	2,764,180	
*	\$ 1,049,245	\$ 616,677	\$ 212,762	\$ 204,565	\$ 15,487	\$ 541,222	\$ 36,013	\$ 2,675,970	
**	3.4%	135.5%	-52.2%	25.5%	-100.0%	26.1%	-137.1%	18.6%	
Annual Percentage Change									
2012	-1.1%	-5.1%	15.3%	10.2%	-2.3%	0.8%	-35.6%	0.3%	
2013	6.1%	2.1%	6.4%	1.6%	-8.2%	0.0%	77.8%	5.0%	
2014	1.4%	39.1%	2.1%	12.2%	-35.3%	2.5%	64.7%	9.4%	
2015	-12.4%	-5.8%	-14.1%	25.3%	0.9%	2.4%	-72.6%	-7.8%	
2016	0.7%	51.6%	-6.1%	0.4%	-100.0%	8.0%	-16.6%	8.3%	
2017	-7.4%	14.7%	4.0%	-16.4%	0.0%	2.0%	196.7%	1.6%	
2018	16.8%	17.4%	-5.9%	3.2%	0.0%	2.9%	-37.7%	9.9%	
2019	-3.0%	-2.7%	-11.0%	-9.2%	0.0%	3.8%	-49.8%	-3.2%	
2020	7.4%	-13.2%	-28.5%	-4.4%	0.0%	1.6%	15.0%	-3.0%	
2021	-3.4%	2.0%	-12.4%	16.9%	0.0%	0.5%	-152.0%	-1.4%	

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ Amounts presented after cost allocation.

Data Source:

² Table S-15.

Table S-17

Utility Commission
City of Fort Valley, Georgia
Net Position by Component - All Services ¹
Last Ten Fiscal Years

	September 30, 2012	September 30, 2013	September 30, 2014	September 30, 2015	September 30, 2016
Amounts ²					
Net Position Components					
Net investment in capital assets	\$ 24,440,922	\$ 24,167,429	\$ 24,629,201	\$ 27,873,499	\$ 28,585,600
Restricted	561,130	2,558,901	2,835,546	3,089,084	2,732,719
Unrestricted	11,228,558	10,387,472	10,710,866	9,329,472	9,582,775
Total Net Position	\$ 36,230,610	\$ 37,113,802	\$ 38,175,613	\$ 40,292,055	\$ 40,901,094
Percentage of Total					
Net Position Components					
Net investment in capital assets	67.5%	65.1%	64.5%	69.2%	69.9%
Restricted	1.5%	6.9%	7.4%	7.7%	6.7%
Unrestricted	31.0%	28.0%	28.1%	23.2%	23.4%
Total Net Position	100.0%	100.0%	100.0%	100.0%	100.0%
	September 30, 2017	September 30, 2018	September 30, 2019	September 30, 2020	September 30, 2021
Amounts ²					
Net Position Components					
Net investment in capital assets	\$ 29,695,761	\$ 32,411,515	\$ 33,265,590	\$ 36,716,774	\$ 38,936,990
Restricted	2,748,061	2,773,503	2,874,075	2,925,386	2,927,361
Unrestricted	9,797,850	7,624,481	7,757,353	8,306,546	9,759,524
Total Net Position	\$ 42,241,672	\$ 42,809,499	\$ 43,897,018	\$ 47,948,706	\$ 51,623,875
Percentage of Total					
Net Position Components					
Net investment in capital assets	70.3%	75.7%	75.8%	76.6%	75.4%
Restricted	6.5%	6.5%	6.5%	6.1%	5.7%
Unrestricted	23.2%	17.8%	17.7%	17.3%	18.9%
Total Net Position	100.0%	100.0%	100.0%	100.0%	100.0%

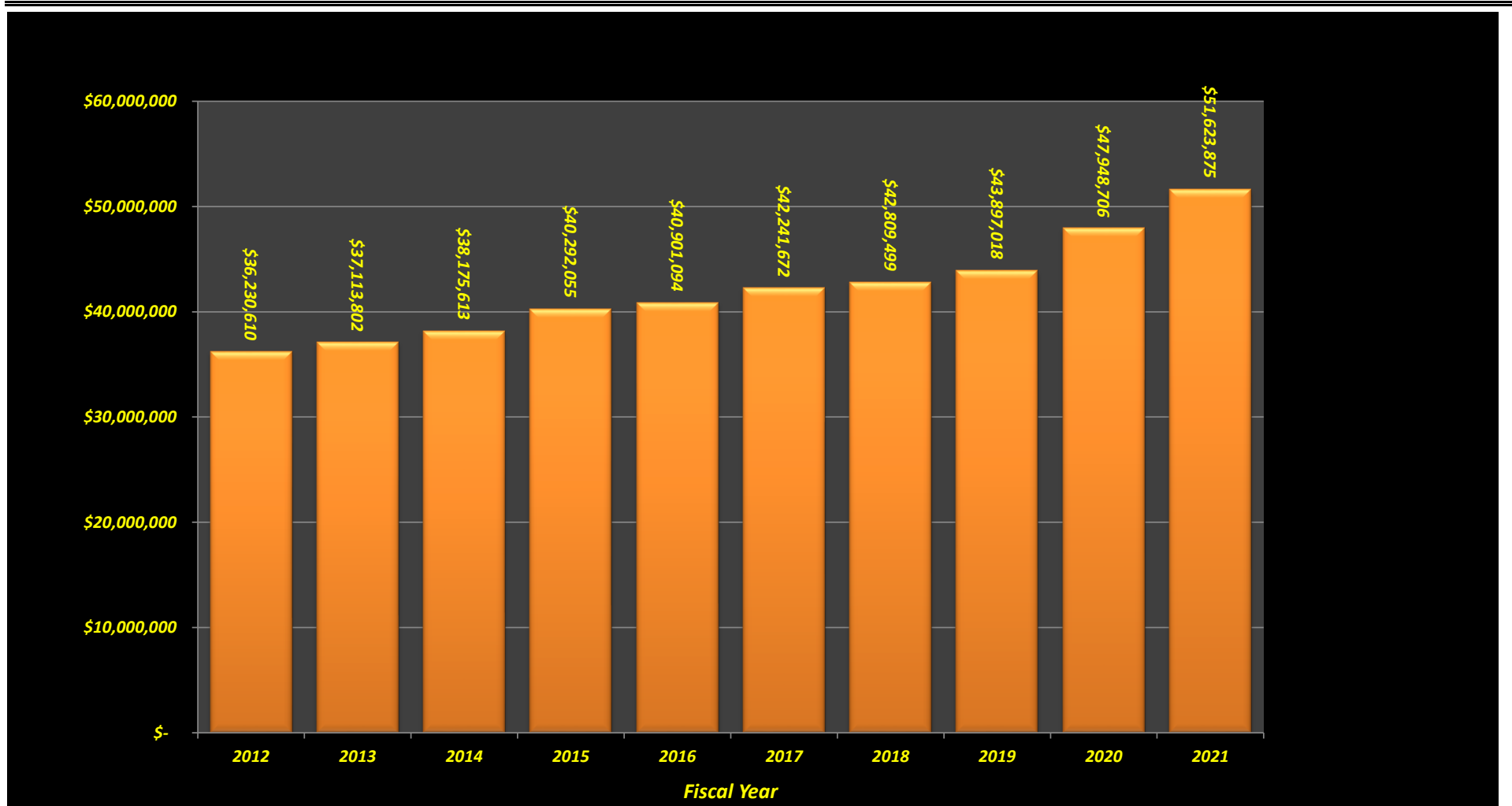
Notes:

¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Utility Commission.

Data Source:

² Applicable years' annual financial report.

Utility Commission
City of Fort Valley, Georgia
Chart-Total Net Position
Last Ten Fiscal Years



REVENUE CAPACITY
(UNAUDITED)

Table S-18

Utility Commission
City of Fort Valley, Georgia
Consumption Billed ¹
By Service
Last Ten Fiscal Years

Fiscal Year	Natural Gas		Electric		Water		Sewer	
	Cubic Feet	% Change	kWh	% Change	Gallons	% Change	Gallons ²	% Change
2012	344,838,100	-18.9%	116,826,660	-7.8%	546,834,000	2.5%	270,162,000	-2.5%
2013	407,096,300	18.1%	121,198,809	3.7%	477,910,500	-12.6%	284,604,000	5.3%
2014	439,949,800	8.1%	120,435,659	-0.6%	492,803,250	3.1%	276,865,500	-2.7%
2015	429,268,000	-2.4%	122,058,556	1.3%	461,117,250	-6.4%	252,750,750	-8.7%
2016	388,899,100	-9.4%	119,179,075	-2.4%	446,688,396	-3.1%	246,890,864	-2.3%
2017	375,462,500	-3.5%	116,906,445	-1.9%	462,488,400	3.5%	252,915,256	2.4%
2018	441,767,600	17.7%	117,016,613	0.1%	451,700,744	-2.3%	274,369,392	8.5%
2019	497,315,100	12.6%	134,682,638	15.1%	455,907,496	0.9%	294,058,996	7.2%
2020	554,365,100	11.5%	139,753,453	3.8%	439,753,688	-3.5%	291,117,860	-1.0%
2021	493,577,800	-11.0%	140,251,387	0.4%	455,187,920	3.5%	315,443,568	8.4%

Notes:

2011 and 2012 - Short and warm winter seasons for Natural Gas.

2019 - Southern Flavor Farms began operating 10/2018

Data Source:

¹ Utility Commission's billing department.

² From May - October in fiscal years 2007 - 2015 the consumption billed was capped.

Table S-19

Utility Commission
City of Fort Valley, Georgia
Natural Gas Service Rates^{1,4}
Last Ten Fiscal Years

	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
General Service:										
Base Charge	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 14.000	\$ 14.000	\$ 14.000	\$ 14.000	\$ 14.000	\$ 14.000
Spot market natural gas price	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3
City distribution charge ²										
Winter	0.28000	0.31000	0.31000	0.31000	0.31000	0.41000	0.41000	0.41000	0.41000	0.41000
Summer	0.54000	0.54000	0.54000	0.54000	0.54000	0.41000	0.41000	0.41000	0.41000	0.41000
Interruptible Gas Service:										
Spot market natural gas price	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3
Commission distribution charge:										
First 1000 Mcf	1.6100	1.6100	1.6100	1.6100	1.6100	1.8000	1.8000	1.8000	1.8000	1.8000
Next 3000 Mcf	1.3400	1.3400	1.3400	1.3400	1.3400	1.5000	1.5000	1.5000	1.5000	1.5000
Next 6000 Mcf	1.0700	1.0700	1.0700	1.0700	1.0700	1.2000	1.2000	1.2000	1.2000	1.2000
Over 10,000 Mcf	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600

Notes:

¹ Rates presented as of September 30 of the applicable year.

² Beginning in fiscal year 2004, the distribution charge varied for summer and winter seasons. Beginning 7/1/16, the distribution charge is the same for all months.

³ The Spot Market Natural Gas Price of Natural Gas is the wholesale cost of gas. This price changes monthly.

Data Source:

⁴ Utility Commission's rate and connection fee book.

Table S-20

Utility Commission
City of Fort Valley, Georgia
Electric Service Rates ^{1,4}
Last Ten Fiscal Years

	2012 ³	2013 ⁵	2014	2015	2016	2017 ⁶	2018	2019	2020	2021
Residential:										
Winter Rates:										
Base Charge	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 15.00000	\$ 16.00000	\$ 17.00000	\$ 18.00000	\$ 18.00000
First 650 kWh	0.07600	0.08090	0.08090	0.08090	0.08090	0.07837	0.08207	0.08577	0.08947	0.08947
Next 350 kWh	0.07200	0.07690	0.07690	0.07690	0.07690	0.07439	0.07809	0.08178	0.08547	0.08547
Over 1000 kWh	0.06800	0.07290	0.07290	0.07290	0.07290	0.07038	0.07404	0.07773	0.08142	0.08142
Summer Rates:										
Base Charge	9.50000	9.50000	9.50000	9.50000	9.50000	15.00000	16.00000	17.00000	18.00000	18.00000
First 650 kWh	0.07600	0.08090	0.08090	0.08090	0.08090	0.07837	0.08207	0.08577	0.08947	0.08947
Next 350 kWh	0.09600	0.10090	0.10090	0.10090	0.10090	0.09837	0.10207	0.10577	0.10947	0.10947
Over 1000 kWh	0.10400	0.10890	0.10890	0.10890	0.10890	0.10637	0.11010	0.11381	0.11752	0.11752
Small Commercial:										
Winter Rates:										
Base Charge	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000
All kWh	0.13500	0.13990	0.13990	0.13990	0.13990	0.14100	0.14100	0.14100	0.14100	0.14100
Summer Rates:										
Base Charge	16.00000	16,490	16,490	16,490	16.00000	16.00000	16.00000	16.00000	16.00000	16.00000
All kWh	0.16000	0.16490	0.16490	0.16490	0.16490	0.16600	0.16600	0.16600	0.16600	0.16600
First 25 kWh	-	-	-	-	-	-	-	-	-	-
Next 475 kWh	-	-	-	-	-	-	-	-	-	-
Next 1000 kWh	-	-	-	-	-	-	-	-	-	-
Next 8500 kWh	-	-	-	-	-	-	-	-	-	-
All over 10000 kWh	-	-	-	-	-	-	-	-	-	-
Commercial:										
Base charge	35.00000	35.00000	35.00000	35.00000	35.00000	50.00000	50.00000	50.00000	50.00000	50.00000
Demand charge	-	-	-	-	-	5.00000	6.00000	7.00000	8.00000	8.00000
First 200 X KW:										
First 3000 kWh	0.15000	0.15490	0.15490	0.15490	0.15490	0.13259	0.12165	0.11766	0.10946	0.10946
Next 7000 kWh	0.14000	0.14490	0.14490	0.14490	0.14490	0.11509	0.10415	0.10016	0.09196	0.09196
Next 190000 kWh	0.13000	0.13490	0.13490	0.13490	0.13490	0.09509	0.08415	0.08016	0.07196	0.07196
Over 200000 kWh	0.12000	0.12490	0.12490	0.12490	0.12490	0.07009	0.05915	0.05516	0.04696	0.04696
Next 200 X KW	0.06000	0.06490	0.06490	0.06490	0.06490	0.06009	0.06009	0.05610	0.04790	0.04790
Next 200 X KW	0.05600	0.06090	0.06090	0.06090	0.06090	0.04654	0.04654	0.04253	0.03429	0.03429
Over 600 X KW	0.05200	0.05690	0.05690	0.05690	0.05690	0.03214	0.03214	0.02847	0.02047	0.02047

(Continued)

Table S-20

Utility Commission
City of Fort Valley, Georgia
Electric Service Rates^{1,4}
Last Ten Fiscal Years

	2012 ³	2013 ⁵	2014	2015	2016	2017 ⁶	2018	2019	2020	2021
Institutional:										
Base Charge	25.00000	25.00000	33.25000	33.25000	33.25000	33.25000	33.25000	50.00000	50.00000	50.00000
Demand charge	-	-	-	-	-	-	-	5.00000	6.00000	8.00000
First 200 X KW:										
First 3000 kWh	0.12000	0.12000	0.14250	0.14740	0.14740	0.14740	0.14740	0.13259	0.12165	0.10946
Next 7000 kWh	0.11600	0.11600	0.13300	0.13790	0.13790	0.13790	0.13790	0.11509	0.10415	0.09196
Next 190000 kWh	0.10200	0.10200	0.12350	0.12840	0.12840	0.12840	0.12840	0.09509	0.08415	0.07196
Over 200000 kWh	0.08300	0.08300	0.11400	0.11890	0.11890	0.11890	0.11890	0.07009	0.05915	0.04696
Next 200 X KW	0.02700	0.02700	0.05700	0.06190	0.06190	0.06190	0.06190	0.06009	0.06009	0.04790
Next 200 X KW	0.02500	0.02500	0.05320	0.05810	0.05810	0.05810	0.05810	0.04654	0.04654	0.03429
Over 600 X KW	0.02400	0.02400	0.04940	0.05430	0.05430	0.05430	0.05430	0.03214	0.03214	0.02047
Industrial Small/Large Power:										
Base Charge	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000
Demand charge	-	-	-	-	-	-	-	5.00000	6.00000	8.00000
First 200 X KW:										
First 3000 kWh	0.13000	0.13000	0.15000	0.15490	0.15490	0.15490	0.15490	0.13259	0.12165	0.10946
Next 7000 kWh	0.11500	0.11500	0.14000	0.14490	0.14490	0.14490	0.14490	0.11509	0.10415	0.09196
Next 190000 kWh	0.10200	0.10200	0.13000	0.13490	0.13490	0.13490	0.13490	0.09509	0.08415	0.07196
Over 200000 kWh	0.05300	0.05300	0.07500	0.07990	0.07990	0.07990	0.07990	0.07009	0.05915	0.04696
Next 200 X KW	0.03500	0.03500	0.06000	0.06490	0.06490	0.06490	0.06490	0.06009	0.06009	0.04790
Next 200 X KW	0.03100	0.03100	0.05600	0.06090	0.06090	0.06090	0.06090	0.04654	0.04654	0.03429
Over 600 X KW	0.02700	0.02700	0.05200	0.05690	0.05690	0.05690	0.05690	0.03214	0.03214	0.02047
Seasonal Power:										
Base Charge	25.00000	25.00000	-	-	-	-	-	-	-	-
First 200 X KW:										
First 3000 kWh	0.13000	0.13000	-	-	-	-	-	-	-	-
Next 7000 kWh	0.12200	0.12200	-	-	-	-	-	-	-	-
Next 190000 kWh	0.10800	0.10800	-	-	-	-	-	-	-	-
Over 200000 kWh	0.08700	0.08700	-	-	-	-	-	-	-	-
Next 200 X KW	0.02900	0.02900	-	-	-	-	-	-	-	-
Next 200 X KW	0.02600	0.02600	-	-	-	-	-	-	-	-
Over 600 X KW	0.02500	0.02500	-	-	-	-	-	-	-	-
Power Cost Adjustment										
Per kWh	0.01950	0.01950	-	-	-	-	-	0.00230	0.00457	0.00682

Notes:¹ Rates presented as of September 30 of the applicable year.² Implemented a "Revenue Neutral Rate Equalization Plan" which resulted in lower user rates for electric service.³ During this fiscal year, there were two rate adjustments, October 1, 2011 and March 1, 2012. With the latter rate change, the seasonal power rate customers are incorporated into small commercial customers.⁵ Cost of Service Study implemented October 1, 2012.⁶ ECCR increased from .00490 to .0060 per kWh. Environmental compliance cost recovery. Demand charge to rate structure implemented fiscal year 2017.⁷ Rates include the ECCR⁸ The Utility Commission approved an Economic Development Rate in 03/2019 to encourage business growth in the City of Fort Valley Downtown area. Businesses located in the Downtown Corridor area, as defined by the City's Downtown Development Authority, will receive a 6.2% discount from the traditional Small Commercial Rate; Businesses located in the Mainstreet Corridor, as designated by the City's Downtown Development Authority's map as "Downtown " triangle" & Government Sub-Area", will receive a 6.2% discount from the traditional Small Commercial Class rates and additional 10% discount for the first 12 months of service.**Data Source:**⁴ Utility Commission's rate and connection fee book.

Table S-21

Utility Commission
City of Fort Valley, Georgia
Water Service Rates^{1, 2, 4}
Last Ten Fiscal Years

	<i>2012</i>	<i>2013</i> ³	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Inside city:										
Minimum charge	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.70	\$ 12.70
All CCF	-	-	-	-	-	-	-	-	-	-
0 - 6 CCF	2.37000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	2.58000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000
Over 12 CCF	2.58000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Outside city:										
Minimum charge	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.70	\$ 12.70
All CCF	-	-	-	-	-	-	-	-	-	-
0 - 6 CCF	2.37000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	2.58000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000
Over 12 CCF	2.58000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Direct cost	-	-	-	-	-	-	-	-	-	-

Notes:¹ Rates presented as of September 30 of the applicable year.² In fiscal year 2001, the rate schedule was changed to a standard charge for CCF.³ Cost of Service Study implemented October 1, 2012.**Data Source:**⁴ Utility Commission's rate and connection fee book.

Utility Commission
City of Fort Valley, Georgia
Sewer Service Rates^{1, 3}
Last Ten Fiscal Years

	<u>2012</u>	<u>2013^{2, 4}</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 10.300	\$ 12.300	\$ 12.300	\$ 12.300	\$ 12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	4.000	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.800	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	5.200	5.200	5.200	5.200
Outside city:					
Capacity charge	10.300	12.300	12.300	12.300	12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	4.000	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.800	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	5.200	5.200	5.200	5.200
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 12.300	\$ 12.300	\$ 12.300	\$ 12.700	\$ 12.700
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	4.000	4.000	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.800	4.800	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	5.200	5.200	5.200	5.200	5.200
Outside city:					
Capacity charge	12.300	12.300	12.300	12.700	12.700
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	4.000	4.000	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.800	4.800	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	5.200	5.200	5.200	5.200	5.200

Notes:¹ Rates presented as of September 30 of the applicable year.² 90% of Water ccf; 125% Cap Effective November 2012.⁴ Cost of Service Study implemented October 1, 2012.**Data Source:**³ Utility Commission's rate and connection fee book.

Table S-23

Utility Commission
City of Fort Valley, Georgia
Number of Customer Accounts at Year-end ¹
By Service
Last Ten Fiscal Years

Fiscal Year	Natural Gas		Electric		Water		Sewer ²		Total	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2012	3,019	-2.6%	4,659	-1.7%	4,512	-1.4%	2,975	-2.0%	15,165	-1.9%
2013	3,002	-0.6%	4,680	0.5%	4,558	1.0%	3,016	1.4%	15,256	0.6%
2014	2,941	-2.0%	4,634	-1.0%	4,541	-0.4%	2,983	-1.1%	15,099	-1.0%
2015	2,924	-0.6%	4,654	0.4%	4,505	-0.8%	3,032	1.6%	15,115	0.1%
2016	2,889	-1.2%	4,602	-1.1%	4,475	-0.7%	3,036	0.1%	15,002	-0.7%
2017	2,912	0.8%	4,654	1.1%	4,546	1.6%	3,096	2.0%	15,208	1.4%
2018	2,906	-0.2%	4,683	0.6%	4,582	0.8%	3,094	-0.1%	15,265	0.4%
2019	2,893	-0.4%	4,689	0.1%	4,627	1.0%	3,144	1.6%	15,353	0.6%
2020	2,914	0.7%	4,745	1.2%	4,707	1.7%	3,252	3.4%	15,618	1.7%
2021	2,908	-0.2%	4,864	2.5%	4,764	1.2%	3,284	1.0%	15,820	1.3%

Data Source:

¹ Utility Commission's billing department - Utility Service Stats

² For 2020 Sewer, the increase in customers was related to the finishing of Southwest Sewer Phase II Project.

Table S-24

Utility Commission
City of Fort Valley, Georgia
Ten Largest Customers - Natural Gas Service ¹
Fiscal Years 2012 & 2021

Fiscal Year 2012					Fiscal Year 2021				
		Consumption Cubic Feet	Amount ²	Dollar %		Consumption Cubic Feet	Amount ²	Dollar %	
Rank	Customer				Customer				
1	Blue Bird Body Company	72,434,000	\$ 397,762	11.3%	Southern Flavor Farms, LP	118,230,000	\$ 648,672	15.6%	
2	Fort Valley State University #2	22,791,000	270,784	7.7%	Blue Bird Body Co	95,092,000	552,498	13.3%	
3	Fort Valley State University #1	15,805,000	184,800	5.3%	Atlanta Sand & Supply	47,038,000	292,163	7.0%	
4	Ariscraft International	27,945,000	156,243	4.4%	Arriscraft International	27,219,000	172,061	4.1%	
5	Atlanta Sand & Supply Company	27,265,000	130,719	3.7%	Fort Valley State Univ #2	18,493,000	185,924	4.5%	
6	Peach County Jail	5,586,900	66,032	1.9%	Peach County Jail	5,173,400	52,391	1.3%	
7	Fort Valley State University #3	3,635,600	43,094	1.2%	Fort Valley State Univ 10th St	5,021,000	49,750	1.2%	
8	Peach Regional Medical Center	7,481,000	37,776	1.1%	FV Housing Authority	2,992,000	30,058	0.7%	
9	Lakeview Apartments	3,131,000	37,075	1.1%	Pch County BD of Educatioin	2,879,000	28,882	0.7%	
10	Fort Valley Housing Authority	3,135,000	36,745	1.0%	Dalcor Mgt Inc	2,793,000	30,518	0.7%	
Total Ten Largest Customers		189,209,500	1,361,030	38.8%	Total Ten Largest Customers	324,930,400	2,042,916	49.1%	
All Other Customers		155,628,600	2,150,177	61.2%	All Other Customers	168,647,400	2,117,523	50.9%	
Total ²		344,838,100	\$ 3,511,207	100.0%	Total ²	493,577,800	\$ 4,160,439	100.0%	

Data Source:¹ Utility Commission billing department. *Top Listing by contact*² Applicable year total charges for services.

Table S-25

Utility Commission
City of Fort Valley, Georgia
Ten Largest Customers - Electric Service ¹
Fiscal Years 2012 & 2021

Fiscal Year 2012					Fiscal Year 2021				
Rank	Customer	Consumption kWh	Amount ²	Dollar %	Customer	Consumption kWh	Amount ²	Dollar %	
1	Fort Valley State University	16,076,400	\$ 1,280,926	11.3%	Southern Flavor Farms	24,517,451	\$ 1,048,697	7.8%	
2	Blue Bird Body Company #1	15,180,765	1,136,306	10.0%	Blue Bird Body Company - 406	21,214,916	1,527,700	11.4%	
3	Metokote Corporation	2,538,435	240,219	2.1%	Fort Valley State	12,924,000	976,806	7.3%	
4	J. H. Harvey Company	1,682,400	153,982	1.4%	Food Depot	1,363,800	108,510	0.8%	
5	Peach County Jail	1,665,782	144,570	1.3%	Peach County Jail	1,262,976	106,302	0.8%	
6	Peach County High School	1,126,000	136,239	1.2%	Jayeshkumar Patel	1,229,120	108,732	0.8%	
7	Peach Regional Medical Center	1,380,000	119,248	1.0%	Utility Comm (W/Water)	1,212,840	98,561	0.7%	
8	Peach County Schools BOE	1,027,360	117,722	1.0%	City of Fort Valley S/L	1,163,155	95,259	0.7%	
9	Food Depot	1,304,040	113,048	1.0%	Peach County Bd of Education 900D	982,200	114,997	0.9%	
10	Peach County Schools FVMS	792,576	98,737	0.9%	Blue Bird Body Company-Bldg 2	939,600	69,715	0.5%	
Total Ten Largest Customers		42,773,758	3,540,997	31.1%	Total Ten Largest Customers	66,810,058	4,255,278	31.8%	
All Other Customers		74,052,902	7,844,775	68.9%	All Other Customers	73,441,329	9,136,544	68.2%	
Total ²		116,826,660	\$ 11,385,772	100.0%	Total ²	140,251,387	\$ 13,391,822	100.0%	

Data Source:¹ Utility Commission billing department. * **Top Listing by contact**² Applicable year total charges for services.

Table S-26

Utility Commission
City of Fort Valley, Georgia
Ten Largest Customers - Water Service ¹
Fiscal Years 2012 & 2021

Fiscal Year 2012					Fiscal Year 2021				
Rank	Customer	Consumption Gallons	Amount ²	Dollar %	Customer	Consumption Gallons	Amount ²	Dollar %	
1	Fort Valley State University #1	91,569,000	\$ 315,106	13.4%	Blue Bird Body Company	40,032,212	\$ 195,403	7.0%	
2	Blue Bird Body Company	26,253,000	90,419	3.9%	Fort Valley State University	39,362,004	192,133	6.9%	
3	Utility Commission WSLRF 2"	14,574,000	50,243	2.1%	Utility Commission 504 Vienna	22,192,412	108,351	3.9%	
4	Lakeview Apartments	8,049,000	27,797	1.2%	Utility Commission 504-Clarifier	11,223,740	54,827	2.0%	
5	Indian Oaks Apartments LTD	7,810,500	26,977	1.1%	Dalcor MGT Inc - Master Meter	10,191,500	64,268	2.3%	
6	Utility Commission Filter House	7,113,750	24,580	1.0%	Idian Oaks Apts LTD	9,775,612	72,602	2.6%	
7	Utility Commission Clarifier	6,948,750	24,012	1.0%	College Square	5,573,348	36,399	1.3%	
8	Peach Regional Medical Center	5,635,500	19,495	0.8%	Peach County Bd of Educatioin 900B	3,766,180	18,437	0.7%	
9	Utility Commission Jones Plant	5,202,750	18,006	0.8%	Utility Commission 102 Central	3,675,672	17,995	0.6%	
10	Utility Commission Lane's L/S	4,189,500	14,525	0.6%	FV Student Housing	3,607,604	23,149	0.8%	
Total Ten Largest Customers		177,345,750	611,159	26.0%	Total Ten Largest Customers	149,400,284	783,563	28.2%	
All Other Customers		369,488,250	1,736,128	74.0%	All Other Customers	305,787,636	1,992,312	71.8%	
Total ³		546,834,000	\$ 2,347,287	100.0%	Total ²	455,187,920	\$ 2,775,875	100.0%	

Data Source:¹ Utility Commission billing department. * **Top Listing by contact**² Applicable year total charges for services.

Table S-27

Utility Commission
City of Fort Valley, Georgia
Ten Largest Customers - Sewer Service ¹
Fiscal Years 2012 & 2021

Fiscal Year 2012					Fiscal Year 2021			
Rank	Customer	Collection Gallons	Amount ²	Dollar %	Customer	Collection Gallons	Amount ²	Dollar %
1	Fort Valley State University #1	73,256,250	\$ 392,748	21.2%	Blue Bird Body Company	40,032,212	\$ 250,506	11.0%
2	Blue Bird Body Company	21,002,250	112,666	6.1%	Fort Valley State University	39,362,004	246,313	10.8%
3	Lakeview Apartments	6,439,500	34,610	1.9%	Dalcor MGT INC	10,191,500	78,280	3.4%
4	Indian Oaks Apartments LTD	6,249,000	33,589	1.8%	Indian Oaks Apts LTD	9,775,612	86,041	3.8%
5	Peach Regional Medical Center	4,507,500	24,254	1.3%	College Square	5,573,348	44,052	1.9%
6	College Square Apartments	2,619,000	14,132	0.8%	FV Student Housing LLC	3,607,604	28,095	1.2%
7	820 State University Drive, LLC	2,325,000	12,548	0.7%	Westside Villas	2,751,892	23,961	1.1%
8	Fort Valley State University #3	2,007,000	10,852	0.6%	Peach County Jail	2,324,036	14,578	0.6%
9	OMI - Fort Valley, Georgia	1,817,588	9,739	0.5%	Fyffe Construction Co	2,293,368	23,530	1.0%
10	Brentwood Health Care	1,579,500	8,560	0.5%	Magnolia Terrace I	2,187,900	19,318	0.8%
Total Ten Largest Customers		121,802,588	653,697	35.4%	Total Ten Largest Customers	118,099,476	814,674	35.8%
All Other Customers		148,359,412	1,195,473	64.6%	All Other Customers	197,344,092	1,462,617	64.2%
Total		270,162,000	\$ 1,849,170	100.0%	Total ²	315,443,568	2,277,291	100.0%

Data Source:¹ Utility Commission billing department. * *Top Listing by contact*² Applicable year total charges for services.

DEBT CAPACITY
(UNAUDITED)

Table S-28

Utility Commission
City of Fort Valley, Georgia
Ratios of Total Debt Outstanding - By Type
Last Ten Fiscal Years

Fiscal Year	Business-type Activities ²			Percentage of Personal Income ³	Estimated Population ⁴	Debt Per Capita
	GEFA/GELAC Loans ¹	Polytec, Inc.	Total			
2012	\$ 3,218,844	\$ 12,153	\$ 3,230,997	0.004%	27,473	118
2013	2,957,821	6,543	2,964,364	0.003%	26,861	110
2014	2,693,384	-	2,693,384	0.003%	26,828	100
2015	2,425,398	-	2,425,398	0.003%	26,720	91
2016	2,767,433	-	2,767,433	0.003%	27,000	102
2017	3,255,586	-	3,255,586	0.006%	27,099	120
2018	3,021,456	-	3,021,456	0.005%	27,246	111
2019	2,672,564	-	2,672,564	0.004%	27,546	97
2020	2,318,564	-	2,318,564	0.002%	27,729	84
2021	2,769,279	-	2,769,279	0.004%	28,417	97

Notes:

¹ The loans from the Georgia Environmental Finance Authority (GEFA) and Georgia Environmental Loan Acquisition Corporation (GELAC) relate to water and sewer projects. In fiscal year 2011, the GEFA transferred proceeds from the sale of a portion of its loan portfolio to the GELAC, which is a wholly-owned nonprofit subsidiary corporation of GEFA.

Data Source:

² Applicable years' annual financial report.

^{3, 4} Table S-30

Table S-29

Utility Commission
City of Fort Valley, Georgia
Pledged Revenue Coverage
Last Ten Fiscal Years ^{1, 4}

Fiscal Year	Revenues ²	Less Operating Expenses ³	Net Available Revenues	Principal	Interest	Total	Fixed Charges Coverage Ratio ⁵
2012	\$ 19,927,067	\$ 18,585,403	\$ 1,341,664	\$ 257,716	\$ 68,093	\$ 325,809	4.12
2013	21,281,181	19,189,064	2,092,117	261,024	64,787	325,811	6.42
2014	22,393,118	20,208,158	2,184,960	264,439	61,372	325,811	6.71
2015	21,035,430	18,698,969	2,336,461	267,988	57,827	325,815	7.17
2016	21,734,455	20,157,713	1,576,742	271,657	56,883	328,540	4.80
2017	22,593,769	20,193,377	2,400,392	275,479	60,463	335,942	7.15
2018	22,583,873	20,737,722	1,846,151	326,850	64,761	391,611	4.71
2019	24,591,349	22,325,056	2,266,293	348,892	60,505	409,397	5.54
2020	24,279,853	21,379,002	2,900,851	354,000	55,398	409,398	7.09
2021	24,245,775	20,782,882	3,462,893	259,942	50,983	310,925	11.14

Notes:

¹ The fixed charges coverage applies to GEFA loan L08WQ which was initiated in fiscal year 2005 and the loan was repaid in fiscal year 2007, GEFA Loan DWSRF 04-004 which went into repayment on 10-01-08, GEFA Loan 2006-L58WQ which went into repayment on 02-01-09, and GEFA Loan 2007-L42WQ which went into repayment on 9/1/10.

² Includes all revenue of the Utility Commission excluding contributions.

³ Includes all operating expenses of the Utility Commission excluding depreciation and amortization.

⁴ In fiscal year 2011, GEFA transferred proceeds from the sale of a portion of its loan portfolio to GELAC, which is a wholly-owned nonprofit subsidiary corporation of GEFA. All payment terms remain the same. Loans 2006 - L58WQ and 2007 - L42WQ were affected by this transfer.

⁵ The Utility Commission is required to maintain a coverage ratio on this debt of 1.05.

**DEMOGRAPHIC AND
ECONOMIC INFORMATION
(UNAUDITED)**

Table S-30

**Utility Commission
City of Fort Valley, Georgia
Demographic Statistics
Last Ten Fiscal Years**

Year	Population ¹	(thousands of dollars)	Per Capita	Median Age ²	School Enrollment ³	Unemployment Rates		
		Personal Income ¹	Personal Income ¹			Peach County ⁴	State of Georgia ⁴	United States ⁵
2012	27,473	852,340	31,025	N/A	3768	7.2%	8.6%	7.8%
2013	26,861	863,878	32,161	N/A	3767	7.0%	7.8%	7.2%
2014	26,828	892,293	33,260	N/A	3668	7.1%	7.4%	5.9%
2015	26,720	935,916	35,027	N/A	3672	6.1%	6.1%	5.1%
2016	27,000	890,000	32,963	N/A	3672	5.6%	5.4%	4.9%
2017	27,099	562,195	20,746	N/A	3678	5.6%	4.5%	4.2%
2018	27,246	654,149	24,009	N/A	3586	4.5%	3.7%	3.8%
2019	27,546	627,140	22,767	N/A	3693	3.6%	3.2%	3.5%
2020	27,729	1,090,748	39,336	N/A	3644	5.9%	4.0%	3.5%
2021	28,417	736,824	25,929	N/A	3685	3.7%	3.5%	4.7%

¹ 2007 - 2015 - U.S Bureau of Economic Analysis, Peach County 2016 estimated by management
2017-2019 - <https://www.census.gov/quickfacts/fact/table/peachcountygeorgia/PST045217>

² U.S. Census Bureau - State of Georgia - <http://www.census.gov/prod/cen2010/briefs/c2010br-03.pdf>

³ GA Department of Education - https://oraapp.doe.k12.ga.us/ows-bin/owa/fte_pack_enrollgrade.entry_form

⁴ U.S. Department of Labor, Bureau of Labor Statistics, Warner Robins, GA, Metropolitan Statistical Area - <https://data.bls.gov/map/MapToolServlet>

⁵ U.S. Department of Labor, Bureau of Labor Statistics, <https://data.bls.gov/cgi-bin/surveymost>

N/A - Not Available

Table S-31

Utility Commission
City of Fort Valley, Georgia
Principal Employers ²
For the Fiscal Years Ended September 30, 2012 and 2021

2012 ²					2021				
Employer	Type of Business	Number of Employees	Rank	Percentage of Total County Employment	Employer	Type of Business	Number of Employees	Rank	Percentage of Total County Employment
Blue Bird Body Company	Manufacturing	1,500	1	14.14%	Blue Bird Body Company	Manufacturing	2,400	1	20.31%
Fort Valley State University	Education	658	2	6.20%	Fort Valley State University	Education	674	2	5.71%
Peach County Board of Education	Education	481	3	4.53%	Peach County Board of Education	Education	471	3	3.99%
Lane Southern Orchards	Agribusiness	300	4	2.83%	Lane Southern Orchards	Agribusiness	325	4	2.75%
Peach County Commission	Local Government	186	5	1.75%	CR Meyer	Engineering	200	5	1.69%
Peach Regional Medical Center	Medical	173	6	1.63%	Pure Flavor	Agribusiness	200	6	1.69%
City of Fort Valley	Local Government	132	7	1.24%	Atrium Health Navicent Peach	Community Hospital	187	7	1.58%
The Wire Shop	Manufacturing	76	8	0.72%	Spherion Staffing	Staffing Agency	150	8	1.27%
Arriscraft International	Manufacturing	75	9	0.71%	HSM Solutions	Manufacturing	110	9	0.93%
Valley Industrial Products	Manufacturing	25	10	0.24%	Pyrotechnic Specialties	Manufacturing	109	10	0.92%
Total for Principal Employers		3,606		33.99%	Total for Principal Employers		4,826		40.85%
Total for Other Employers ³		7,004		66.01%	Total for Other Employers ³		6,988		59.15%
Total for All Employers ⁴		10,610		100.00%	Total for All Employers ⁴		11,814		100.00%

Data Source:

² The Development Authority of Peach County, Georgia and each individual employer. <http://peachcountydevelopment.com/largest-employers>

³ This data is estimated by management. <http://recenter.tamu.edu/data/empc/LAUCN132250.htm>

⁴ This data is provided by the Georgia Department of Labor. <https://explorer.gdol.ga.gov/vosnet/mis/Profiles/Counties/Peach.pdf>

OPERATING INFORMATION
(UNAUDITED)

Table S-32

Utility Commission
City of Fort Valley, Georgia
Number of Employees - By Department, Elected Officials and Legal Counsel
Last Ten Fiscal Years

	For the Fiscal Year Ended September 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Elected Officials/Legal Counsel/Departments</u>										
Board of Commissioners	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	8.0
Commission attorney	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Management	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Administration	1.0	1.0	1.0	1.0	2.0	2.0	3.0	3.0	3.0	3.0
Finance	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0	3.0
Customer service	3.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
IT support/telecom	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	4.0	3.0
Electric	6.0	6.0	6.0	7.0	7.0	5.0	5.0	6.0	5.0	7.0
Gas	6.0	6.0	6.0	6.0	6.0	5.0	4.0	4.0	5.0	5.0
Water	11.0	12.0	12.0	12.0	12.0	13.0	10.0	12.0	11.0	12.0
Sewer	8.0	8.0	8.0	8.0	7.0	8.0	9.0	9.0	9.0	9.0
Meter reading	5.0	5.0	5.0	5.0	3.0	4.0	4.0	4.0	4.0	4.0
Warehouse	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total	58.0	59.0	59.0	60.0	60.0	59.0	57.0	59.0	59.0	64.0
<i>Percentage Change From Prior Year</i>	0.0%	1.7%	0.0%	1.7%	0.0%	-1.7%	-3.4%	3.5%	0.0%	8.5%

Data Source:

Utility Commission Human Resources Department

Table S-33

Utility Commission
City of Fort Valley, Georgia
Operating Indicators - By Service
Last Ten Fiscal Years

Utility Service	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Natural Gas Service:										
Maximum daily capacity of available natural gas (winter cf)	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	4,179,512	4,179,512	4,179,512	4,179,512	4,159,000
Maximum daily capacity of available natural gas (summer cf)	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,864,390	1,864,390	1,864,390	1,864,390	2,690,000
Average daily consumption of available natural gas (cubic feet)	1,005,808	1,171,633	1,294,989	1,222,529	1,235,000	1,134,372	1,455,609	1,622,439	1,582,000	1,557,000
Average percent of capacity used	60.3%	70.2%	77.6%	73.2%	74.0%	60.8%	78.1%	87.0%	84.9%	57.9%
Winter peak demand day (cubic feet)	3,969,000	3,573,000	5,359,000	4,598,000	4,381,000	4,004,000	4,423,415	5,231,219	5,006,796	5,088,350
Electric Service:										
Coincident peak (kW)	27,115	25,614	22,784	24,422	26,204	25,204	22,638	27,714	25,588	26,011
Reserves (kW)	2,236	2,262	2,104	2,139	2,121	2,104	2,057	2,170	1,836	1,829
Total requirements (kW)	29,351	27,876	24,888	26,561	28,325	27,308	24,695	29,884	27,424	27,840
Southeastern Power Administration (kW)	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,185	9,185
MEAG projects 1, 2, 3 & 4 (kW)	21,488	22,170	22,170	22,763	22,763	22,820	23,111	23,111	23,216	23,216
MEAG combined cycle (kW)	3,865	3,825	3,825	3,819	3,798	3,766	3,739	3,739	3,783	3,783
Total resources (kW)	34,496	35,138	35,138	35,725	35,704	35,729	35,993	35,993	36,184	36,184
Excess capacity (deficit) (kW)	5,145	7,262	10,250	9,164	7,379	8,421	11,298	6,109	9,483	8,344
Percent reserve of capacity	41.1%	57.8%	90.6%	74.0%	55.7%	65.5%	99.0%	44.6%	69.0%	60.5%
Water Service:										
Daily average consumption	1,498,175	1,309,344	1,350,146	1,263,335	1,223,804	1,267,092	1,237,536	1,249,062	1,204,805	1,247,090
Maximum daily capacity of wells (in gallons)	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Maximum daily capacity of plant (in gallons)	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000
Elevated storage capacity (gallons)	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Reservoir storage capacity (gallons)	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000
Sewer Service:										
Maximum daily capacity of treatment plant (gallons)	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Daily average treatment (gallons)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Unused capacity	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Percentage of capacity used	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%

Notes:

N/A Not Available

Data Source:

Applicable Department

Table S-34

Utility Commission
City of Fort Valley, Georgia
Capital Asset Indicators - By Service
Last Ten Fiscal Years

<u>Utility Service/Department</u>	<u>2012¹</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Natural Gas Service:										
Miles of natural gas mains	141	141	141	141	141	141	161	161	161	161
Peak shaving plant	1	1	-	-	-	-	-	-	-	-
Propane storage tanks (30,000 gallons)	8	8	-	-	-	-	-	-	-	-
Electric Service:										
Miles of line	144	144	144	144	144	144	144	144	144	144
Service area (square miles)	20	20	20	20	20	20	20	20	20	20
Number of sub-stations	3	3	3	3	3	3	4	4	4	4
3 megawatt generator	-	-	-	-	-	-	-	-	-	-
Water Service:										
Miles of water mains	152	152	152	152	152	152	152	153	153	153
Number of wells	6	6	6	6	6	6	6	6	6	6
Number of treatment plants	3	3	3	3	3	3	3	3	3	3
Number of elevated tanks	6	6	6	6	6	6	6	6	6	6
Number of reservoirs	2	2	2	2	2	2	2	2	2	2
Sewer Service:										
Miles of sanitary sewers	72	72	72	72	72	72	72	82	82	82
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	10	10	10	10	10	10	10	15	15	15

Data Source:

Various Departments

¹ Metadigm Engineering, Inc. Digital Map Projects Completed in 2011.

FINANCIAL COMPLIANCE

SECTION

**BUTLER, WILLIAMS & WYCHE, LLP
CERTIFIED PUBLIC ACCOUNTANTS
5223 RIVERSIDE DRIVE
MACON, GA 31210**

May 16, 2022

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

**To the Members of the Utility Commission
City of Fort Valley, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Utility Commission, a component unit of the City of Fort Valley, Georgia as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Utility Commission's basic financial statements, and have issued our report thereon dated May 16, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Butler, Williams & Wyche, LLP

Macon, GA

BUTLER, WILLIAMS & WYCHE, LLP
CERTIFIED PUBLIC ACCOUNTANTS
5223 RIVERSIDE DRIVE
MACON, GA 31210

May 16, 2022

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

**To the Members of the Utility Commission
City of Fort Valley, Georgia**

Report on Compliance for Each Major Federal Program

We have audited the Fort Valley Utility Commission's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Fort Valley Utility Commission's major federal programs for the year ended September 30, 2021. The Fort Valley Utility Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Fort Valley Utility Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Fort Valley Utility Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Fort Valley Utility Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, Fort Valley Utility Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of Fort Valley Utility Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Fort Valley Utility Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Fort Valley Utility Commission's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

A handwritten signature in cursive script that reads "Butler, Williams & Hayche, LLP". The signature is written in dark ink on a light-colored background.

Macon, Georgia

Utility Commission
City of Fort Valley, Georgia
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Federal Grantor / Passed-Through Grantor Program or Cluster Title	Federal CFDA Number	Passed-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Environmental Protection Agency</u>			
Passed-Through Georgia Environmental Finance Authority			
Capitalization Grant for the Clean Water			
State Revolving Loan Funds	66.458	CW2020009	\$ 920,742
Capitalization Grant for the Drinking Water			
State Revolving Loan Funds	66.468	DW2020015	152,845
Total Passed through Georgia Environmental Finance Authority			<u>1,073,587</u>
Total U.S. Environmental Protection Agency			<u>1,073,587</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,073,587</u></u>

Utility Commission
City of Fort Valley, Georgia
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2021

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Utility Commission Fort Valley, Georgia, and is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related liability is incurred. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. De Minimis Indirect Cost Rate

The Utility Commission has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Non-cash Awards

The Utility Commission did not have any non-cash awards during the fiscal year.

Note 4. Insurance

The Utility Commission did not receive insurance as part of any award during the fiscal year.

Note 5. Outstanding Loan Balances

During the fiscal year, a total of \$579,496 was forgiven by GEFA for the loans. The outstanding loan balance for CFDA # 66.458 - Clean Water State Revolving Loan Fund from the federal funding source is \$612,085, and the outstanding loan balance for CFDA# 66.468 - Drinking Water State Revolving Loan Fund from the federal funding sources is \$96,884.

Note 6. Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurred.

Note 7. Method of Major Program Selection

The risk based approach was used in the selection of federal programs to be tested as major programs. The Utility Commission did not qualify as a low-risk auditee for the fiscal year ended September 30, 2021 due to not requiring a Single Audit in either of the last two years.

Utility Commission
City of Fort Valley, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2021

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: - Unmodified

Internal control over financial reporting:

Material weakness identified? - _____ Yes X No

Significant deficiency identified that is not considered to be a material weakness? - _____ Yes X None reported

Noncompliance material to financial statements noted? - _____ Yes X No

Federal Awards

Internal control over major programs:

Material weakness identified? - _____ Yes X No

Significant deficiency identified that is not considered to be a material weakness? - _____ Yes X 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 X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
66.458	Capitalization Grant for Clean Water State Revolving Loan Funds

Dollar threshold used to distinguish between type A and type B programs: - \$750,000

Auditee qualified as a low-risk auditee - _____ Yes X No

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SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

Utility Commission
City of Fort Valley, Georgia
Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2021

None reported.