



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

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

**Comprehensive Annual Financial Report
For the Years Ended
September 30, 2020 and 2019**

**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, 2020 and 2019

TABLE OF CONTENTS

Introductory Section
(Unaudited)

Letter of Transmittal	i - iii
Elected Utility Commissioners	iv
Appointed Officials/Advisors/Consultants	v
Organizational Chart	vi
GFOA Certificate of Achievement for Excellence in Financial Reporting	vii

Financial Section

Independent Auditor's Report	1 - 2
---	-------

Management's Discussion and Analysis (Unaudited)	3 - 11
---	--------

Basic Financial Statements:

Comparative Statement of Net Position	12
Comparative Statement of Revenues, Expenses and Changes in Net Position	13
Comparative Statement of Cash Flows	14-15
Notes to the Basic Financial Statements	16-37

Required Supplementary Information

Schedule of Changes in the Net Pension Liability and Related Ratios	38-39
Schedule of Contributions	40-41
Notes to Required Supplementary Information	42-43

Supplementary Information

Combining Schedule of Operating Revenues and Expenses By Identifiable Activity - 2020- After Cost Allocation	44
Combining Schedule of Operating Revenues and Expenses By Identifiable Activity - 2020 - Before Cost Allocation	45-46
Combining Schedule of Operating Revenues and Expenses By Identifiable Activity - 2019 - After Cost Allocation	47
Combining Schedule of Operating Revenues and Expenses By Identifiable Activity - 2019 - Before Cost Allocation	48-49
Comparative Schedule of Revenues and Expenses By Object Classification - Budget and Actual - Before Cost Allocation	50-55

Utility Commission
City of Fort Valley, Georgia
Comprehensive Annual Financial Report
For the Years Ended September 30, 2020 and 2019

TABLE OF CONTENTS

Statistical Section
(Unaudited)

Statistical Section Summary	56
Financial Trends	
Changes in Net Position - All Services	57
Operating Expenses - By Object - All Services	58
Nonoperating Revenues and Expenses - All Services	59
Annual Capital Contributions - By Source - All Services	60
Summary of Operating Revenue, Expenses and Income (Loss) - Natural Gas Service	61
Detail Operating Revenue, Expenses and Income (Loss) - Natural Gas Service	62
Operating Expenses - By Object - Natural Gas Service	63
Summary of Operating Revenue, Expenses and Income (Loss) - Electric Service	64
Detail Operating Revenue, Expenses and Income (Loss) - Electric Service	65
Operating Expenses - By Object - Electric Service	66
Summary of Operating Revenue, Expenses and Income (Loss) - Water Service	67
Detail Operating Revenue, Expenses and Income (Loss) - Water Service	68
Operating Expenses - By Object - Water Service	69
Summary of Operating Revenue, Expenses and Income (Loss) - Sewer Service	70
Detail Operating Revenue, Expenses and Income (Loss) - Sewer Service	71
Operating Expenses - By Object - Sewer Service	72
Net Position by Component - All Services	73
Revenue Capacity	
Consumption Billed - By Service	74
Natural Gas Service Rates	75
Electric Service Rates	76
Water Service Rates	77
Sewer Service Rates	78
Number of Customer Accounts at Year-end - By Service	79
Ten Largest Customers - Natural Gas Service	80
Ten Largest Customers - Electric Service	81
Ten Largest Customers - Water Service	82
Ten Largest Customers - Sewer Service	83
Debt Capacity	
Ratios of Total Debt Outstanding - By Type	84
Pledged Revenue Coverage	85
Demographic and Economic Information	
Demographic Statistics	86
Principal Employers	87
Operating Information	
Number of Employees - By Department, Elected Officials and Legal Counsel	88
Operating Indicators - By Service	89
Capital Asset Indicators - By Service	90

Utility Commission
City of Fort Valley, Georgia
Comprehensive Annual Financial Report
For the Years Ended September 30, 2020 and 2019

TABLE OF CONTENTS

Financial Compliance Section

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	91
Schedule of Findings	92

INTRODUCTORY SECTION



FORT VALLEY UTILITY COMMISSION

P.O. BOX 1529 • FORT VALLEY, GEORGIA 31030-1529
(478)825-7701 • FAX(478) 825-7704 • www.fvutil.com

July 26, 2021

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

This Comprehensive Annual Financial Report (CAFR) of the Utility Commission, City of Fort Valley, Georgia (the Utility Commission) for the fiscal years ended September 30, 2020 and 2019, 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 CAFR. 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, 2020 and 2019 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, 2020 and 2019, 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 condition and performance results.

System Profile

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 2019 estimated median household income of \$46,636. This amount compares to the state estimated household income of \$58,700. The County's estimated population is 27,546. The median age is 37.9. The unemployment rate is 5.9%.

Major Initiatives

There are two major initiatives that the Utility Commission worked on in 2019 and 2020.

- Service extension to serve the new Peach County High School
- Emergency response and planning during COVID-19 Pandemic

Each project is described below.

Peach County High School The Peach County Board of Education began a \$45M project funded by ESPLOST to build a new state-of-the-art high school on Hwy 49. The Utility Commission budgeted \$2.2M to extend water, wastewater, electric, gas, and telecom services to the new location. The electric load was bid as customer choice and awarded to the Utility Commission. Project completion is expected to be August 2021.

COVID-19 Like every other organization during the COVID-19 pandemic, the Utility Commission had to act quickly to keep our employees and customers safe. Policies were put into place allowing employees to report to work at staggered times, report at different locations, and rotate working from home. We updated our website to streamline communication with our customers. The customer application process was moved online, and a new chat feature was added. The Commission placed a moratorium on disconnects and late fee charges and worked with customers on past due balances.

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 Utility Commissioners

Chairman Alre' Horton

At-Large Seat – Post 3

In office since January 2018

Current term expires December 2021

West Ward – Post 2
*Current term expires December
2023*

East Ward – Post 1
*Current term expires December
2021*

Rose Marie Huff-Thompson

At-Large Seat – Post 4

In office since January 2020

*Current term expires December
2023*

Mayor Barbara B. Williams

Ex-Officio Member

In office since January 2014

*Current term expires December
2021*

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

Appointed Officials

Craig A. Mims

General Manager|CEO

Utility Commission Staff

Jason Baker

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

General Counsel

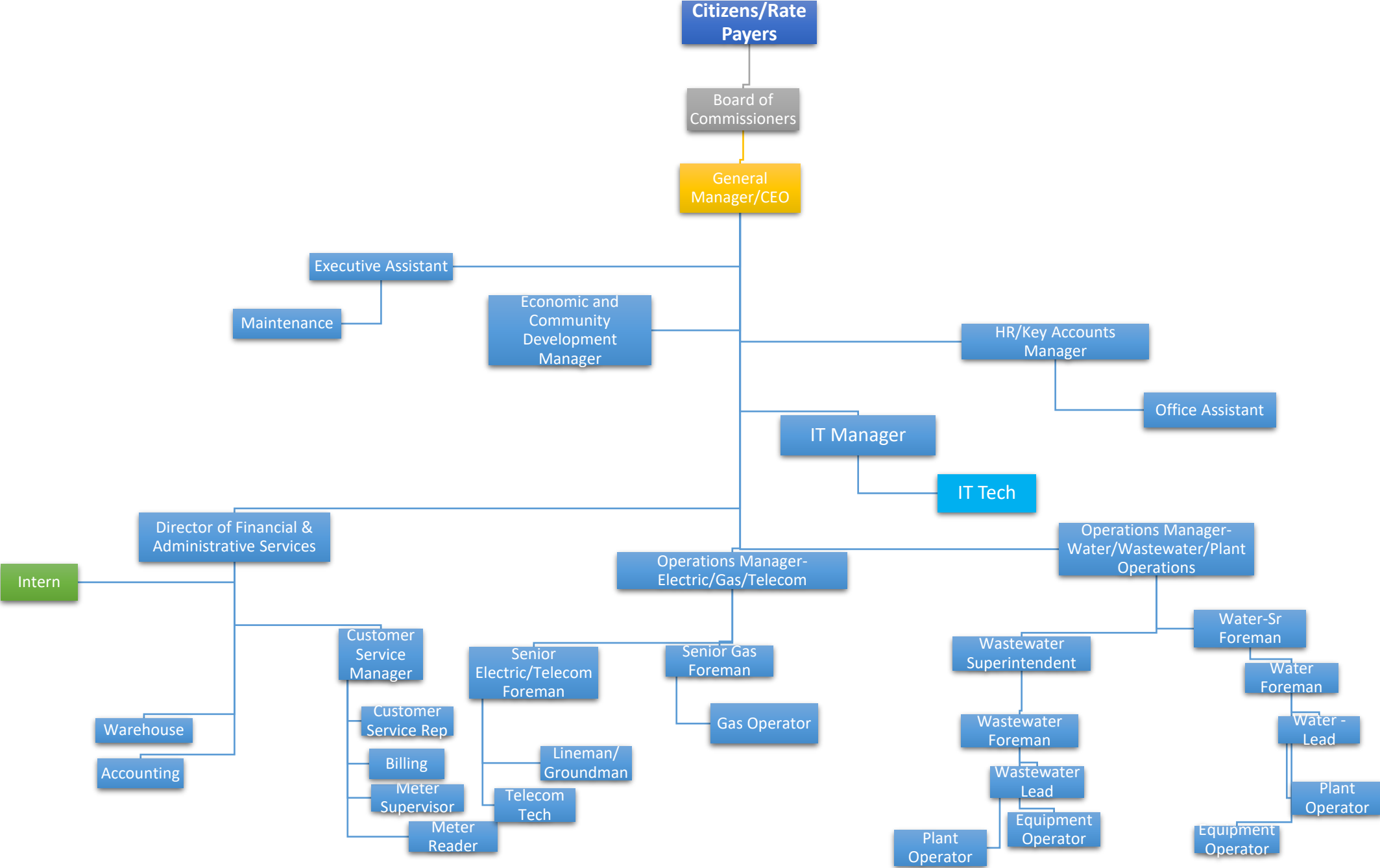
Butler, Williams & Wyche, LLP

Independent Auditors

Carter & Sloope, Inc.

Consulting Engineers

FVUC Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fort Valley Utility Commission
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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

July 26, 2021

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, 2020 and 2019, 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, 2020 and 2019, 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 38 through 39) and the Schedule of Contributions (page 40 through 43) 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 supplementary information and schedules 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. The supplemental 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 and schedules 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 July 26, 2021 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) comprehensive annual 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, 2020 and 2019. 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 \$47,948,706 (total net position) at September 30, 2020 and \$43,674,912 (total net position) at September 30, 2019.
- Total net position is comprised of the following:
 - Net investment in capital assets of \$36,716,774 at September 30, 2020 and of \$33,265,590 at September 30, 2019, 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, 2020 is \$2,925,386 as compared to \$2,874,075 at September 30, 2019.
 - Unrestricted net position of \$8,306,546 at September 30, 2020 and of \$7,535,247 at September 30, 2019, 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 credit worthiness.

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 38.

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 44.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) Utility Commission, City of Fort Valley, Georgia
As of and For The Years Ended September 30, 2020 and 2019

Financial Analysis of the Utility Commission

The Utility Commission's total net position at September 30, 2020 is \$47,948,706; \$43,674,912 at September 30, 2019; and \$42,823,272 at September 30, 2018. The following table provides a summary of the Utility Commission's net position:

Summary of Net Position

	September 30, 2020		September 30, 2019		September 30, 2018	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Assets:						
Current assets	\$ 12,572,137	23%	\$ 11,247,958	22%	\$ 12,509,504	24%
Noncurrent assets:						
Restricted assets	2,925,386	5%	2,874,075	6%	2,773,503	5%
Capital assets	39,035,338	71%	35,938,154	71%	35,432,971	69%
Total assets	54,532,861		50,060,187		50,715,978	
Deferred outflows of resources	678,302	1%	402,264	1%	473,800	1%
Total assets and deferred outflows of resources	55,211,163	100%	50,462,451	100%	51,189,778	100%
Liabilities:						
Current liabilities	2,799,518	39%	2,459,613	36%	3,401,578	41%
Noncurrent liabilities	4,215,840	58%	3,692,392	54%	4,504,945	54%
Total liabilities	7,015,358		6,152,005		7,906,523	
Deferred inflows of resources	247,099	3%	635,534	9%	459,983	5%
Total liabilities and deferred inflows of resources	7,262,457	100%	6,787,539	100%	8,366,506	100%
Net position:						
Net investment in capital assets	36,716,774	77%	33,265,590	76%	32,189,409	75%
Restricted	2,925,386	6%	2,874,075	7%	2,773,503	6%
Unrestricted	8,306,546	17%	7,535,247	17%	7,860,360	18%
Total net position	\$ 47,948,706	100%	\$ 43,674,912	100%	\$ 42,823,272	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, 2020 is 4.49 to 1; 4.57 to 1 at September 30, 2019; and 3.68 to 1 at September 30, 2018. These ratios are strong.

The Utility Commission reported positive balances in total net position at September 30, 2020, 2019 and 2018. Total net position increased \$4,273,794 in fiscal year 2020, \$851,640 in fiscal year 2019 and by \$584,957 in fiscal year 2018. Note that 77%, 76% and 75% 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 2020		Fiscal Year 2019		Fiscal Year 2018	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Operating Revenues						
Charges for services	\$ 22,540,834	93%	\$ 23,664,775	97%	\$ 21,816,470	97%
Miscellaneous	1,630,214	7%	635,203	3%	713,744	3%
Total Operating Revenues	<u>24,171,048</u>	<u>100%</u>	<u>24,299,978</u>	<u>100%</u>	<u>22,530,214</u>	<u>100%</u>
Operating Expenses						
Personal services	4,403,221	19%	4,007,100	17%	4,394,420	20%
Purchased services	3,615,835	16%	3,976,063	17%	3,402,470	15%
Materials and supplies	336,269	1%	451,603	2%	454,663	2%
Repairs and maintenance	765,775	3%	868,909	4%	876,321	4%
Gas and electric purchased for resale	12,144,696	53%	12,922,941	55%	11,396,769	52%
Depreciation	1,445,984	6%	1,354,148	6%	1,251,624	6%
Miscellaneous	113,206	0%	98,440	0%	195,950	1%
Total Operating Expenses	<u>22,824,986</u>	<u>100%</u>	<u>23,679,204</u>	<u>100%</u>	<u>21,972,217</u>	<u>100%</u>
Operating Income	<u>1,346,062</u>		<u>620,774</u>		<u>557,997</u>	
Nonoperating Revenues (Expenses)						
Interest and fiscal charges	(55,398)		(60,505)		(64,761)	
Gain/(Loss) on disposition of capital assets	-		6,460		-	
Investment earnings	108,805		284,911		53,659	
Total Nonoperating Revenues (Expenses)	<u>53,407</u>		<u>230,866</u>		<u>(11,102)</u>	
Income Before Capital Contributions	<u>1,399,469</u>		<u>851,640</u>		<u>546,895</u>	
Capital Contributions	<u>2,874,325</u>		<u>-</u>		<u>38,062</u>	
Change in Net Position	<u>4,273,794</u>		<u>851,640</u>		<u>584,957</u>	
Net Position Beginning of Year, restated	<u>43,674,912</u>		<u>42,823,272</u>		<u>42,238,315</u>	
Net Position End of Year	<u>\$ 47,948,706</u>		<u>\$ 43,674,912</u>		<u>\$ 42,823,272</u>	

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.

Fiscal Year 2019 Analysis (After Cost Allocations)

Overall Analysis – Total operating revenues increased \$1,769,764. Operating expenses increased \$1,706,987. In total, the operating income increased \$62,777. The increase in net position was caused by an increase in revenue from the electric and gas utilities.

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

	<u>Amount</u>
Electric	\$ 835,049
Gas	493,724
Water	(137,511)
Sewer	(682,232)
Telecom	111,744

The following includes an analysis of the fiscal year 2019 financial activities for each utility.

Electric Utility – The operating income of \$835,049 in fiscal year 2019 compares to operating income of \$759,152 in fiscal year 2018. This is an increase of \$75,897. This increase was due to an increase in charges for services, which correlates with new load from Southern Flavor Farms.

The fiscal year 2019 operating revenues increased \$1,399,474 from fiscal year 2018.

Operating expenses increased \$1,323,577.

Natural Gas Utility – The operating income of \$493,724 in fiscal year 2019 compares to operating income of \$634,562 in fiscal year 2018. This is a decrease of \$140,838. This decrease was due to an increase in purchased gas cost.

The fiscal year 2019 operating revenues increased \$465,093 from fiscal year 2018.

Operating expenses increased \$605,931.

Water Utility – The operating loss of \$165,834 in fiscal year 2019 compares to an operating loss of \$137,511 in fiscal year 2018. Operating revenues in fiscal year 2019 were \$41,585 less than the fiscal year 2018 amount. Operating expenses decreased \$69,908 from fiscal year 2018.

The cost of purchased services increased \$84,002 over the prior year. Repairs and maintenance costs decreased \$38,747 from fiscal year 2018.

Sewer Utility – For the twentieth year in a row, the sewer utility reported an operating loss, this year \$682,232 as compared to last years' operating loss of \$698,010.

Operating revenues decreased \$77,398 from fiscal year 2018.

Total operating expenses decreased \$93,176 over fiscal year 2018. The cost of purchased services decreased \$23,436 over the prior year. There was a decrease in repairs and maintenance of \$19,662.

Telecom – The operating income of \$111,744 in fiscal year 2019 compares to an operating income of \$28,127 in fiscal year 2018. Operating revenues in fiscal year 2019 were \$24,180 more than the fiscal year 2018 amount. Operating expenses decreased \$59,437 from fiscal year 2018. The decrease in operating expenses was due to a decrease in personal service of \$63,231.

Capital Assets and Debt Administration

Capital Assets

The Utility Commission's investment in capital assets, net of accumulated depreciation, as of September 30, 2020, 2019, and 2018 was \$39,035,338, \$35,938,154, and \$35,432,971, 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, 2020		September 30, 2019		September 30, 2018	
	Amount	%	Amount	%	Amount	%
Non-depreciable assets:						
Land	\$ 176,981	10%	\$ 161,981	26%	\$ 161,981	7%
Construction in progress	1,624,084	90%	468,419	74%	2,264,113	93%
Total non-depreciable	<u>1,801,065</u>	<u>100%</u>	<u>630,400</u>	<u>100%</u>	<u>2,426,094</u>	<u>100%</u>
Depreciable assets:						
Building	3,483,174	5%	3,463,376	5%	498,931	1%
Distribution system	57,493,858	86%	54,425,379	86%	53,815,891	90%
Machinery and equipment	5,033,677	8%	4,783,268	8%	4,750,096	8%
Intangibles	511,149	1%	498,549	1%	498,549	1%
Total depreciable capital assets	<u>66,521,858</u>	<u>100%</u>	<u>63,170,572</u>	<u>100%</u>	<u>59,563,467</u>	<u>100%</u>
Total Capital assets	<u>68,322,923</u>		<u>63,800,972</u>		<u>61,989,561</u>	
Accumulated depreciation:						
Building	319,845		254,224		254,002	
Distribution system	24,763,922		23,629,417		22,506,973	
Machinery and equipment	3,892,567		3,684,546		3,517,771	
Intangibles	311,251		294,631		277,844	
Total accumulated depreciation	<u>\$ 29,287,585</u>		<u>\$ 27,862,818</u>		<u>\$ 26,556,590</u>	
Business-type activities capital assets, net	<u>\$ 39,035,338</u>		<u>\$ 35,938,154</u>		<u>\$ 35,432,971</u>	

At September 30, 2020, the depreciable capital assets were 44% depreciated. This compares favorably to the September 30, 2019 and 2018 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, 2020, the construction in progress includes primarily the USDA RD FVSU Water Project, and the New Peach County High School Project.

The additions to the distribution systems asset class were \$3,068,479 from 2019.

The cost of machinery and equipment added in this fiscal year of \$271,626 (gross) primarily consisted of three pick-up trucks, a Telecom bucket truck, engine replacement for the Mini-X, and a donated forklift.

Long-term Debt

At September 30, 2020, 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, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2018</u>
GEFA Loan - DW97-027	\$ 81,727	\$ 245,181	\$ 408,635
GEFA Loan - DW97-027A	19,003	56,167	92,236
GELAC Loan - 2006-L58WQ	437,008	480,094	521,438
GEFA Loan - DWSRF 04-004	140,480	156,586	172,392
GELAC Loan - 2007-L42WQ	349,294	377,274	404,132
GEFA Loan - DW14-001	870,539	916,663	962,314
GEFA Loan - CW2016025	420,512	440,599	460,309
Death Benefits	222,106	222,106	222,106
Compensated Absences	<u>261,225</u>	<u>248,488</u>	<u>256,348</u>
Total	<u><u>\$ 2,801,894</u></u>	<u><u>\$ 3,143,158</u></u>	<u><u>\$ 3,499,910</u></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 continues to push forward with their electric-powered school bus initiative. They announced that 500 electric-powered school buses have been delivered or are on order. This trend is expected to continue through 2021.

Fort Valley welcomed a new senior living facility, Vallihi Apartments. A building previously used for the old high school was purchased and revamped into 56 apartments for senior living.

Our top public customers include two educational institutions: The Peach County Board of Education and Fort Valley State University. The Board of Education built a new state of the art high school and students will begin attending in August 2021. The Utility Commission serves the new school with electric, gas, water, and wastewater. We expect to see growth in both business development and residential housing to the surrounding areas of the new high school.

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, 2020 and 2019

	2020	2019
Assets		
Current Assets:		
Cash and cash equivalents (Note 3-A)	\$ 772,957	\$ 2,176,682
Investments (Note 3-A)		
Natural Gas	4,668,308	3,152,622
Electric	2,883,681	1,813,828
Receivables:		
Accounts (net of allowance for uncollectibles):		
Billed	2,033,423	1,831,356
Unbilled	1,427,273	1,539,893
Interest	250	19,879
Inventory (Note 1-E-3)	604,228	599,000
Prepaid expenses (Note 1-E-4)	182,017	114,698
Total Current Assets	12,572,137	11,247,958
Noncurrent Assets:		
Restricted assets (Note 1-E-5)		
Investments	2,925,386	2,874,075
Capital assets (Note 3-C)		
Nondepreciable	1,801,065	630,400
Depreciable, net	37,234,273	35,307,754
Total Noncurrent Assets	41,960,724	38,812,229
Total Assets	54,532,861	50,060,187
Deferred Outflows of Resources		
Deferred outflows of resources from pension amounts	678,302	402,264
Total Assets and Deferred Outflows of Resources	55,211,163	50,462,451
Liabilities		
Current Liabilities:		
Accounts payable	1,856,136	1,378,804
Accrued payroll	152,815	122,546
Sales and excise taxes payable	49,404	51,002
Intergovernmental payable	308,928	387,773
Compensated absences payable	173,976	165,493
Notes payable (Note 3-E)	258,259	353,995
Total Current Liabilities	2,799,518	2,459,613
Noncurrent Liabilities:		
Net pension liability	1,240,861	503,294
Customer deposits payable	605,319	565,428
Compensated absences payable (net of current portion)	87,249	82,995
Deferred compensation	222,106	222,106
Notes payable (net of current portion) (Note 3-E)	2,060,305	2,318,569
Total Noncurrent Liabilities	4,215,840	3,692,392
Total Liabilities	7,015,358	6,152,005
Deferred Inflows of Resources		
Deferred inflows of resources from pension amounts	247,099	635,534
Total Liabilities and Deferred Inflows of Resources	7,262,457	6,787,539
Net Position		
Net investment in capital assets (Note 3-G)	36,716,774	33,265,590
Restricted for new electric generation (Note 1-E-6)	1,550,376	1,500,443
Restricted for pledged collateral - construction loan (Note 1-E-6)	1,375,010	1,373,632
Unrestricted	8,306,546	7,535,247
Total Net Position	\$ 47,948,706	\$ 43,674,912

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, 2020 and 2019

	2020	2019
Operating Revenues		
Charges for services	\$ 22,540,834	\$ 23,664,775
Miscellaneous	1,630,214	635,203
Total Operating Revenues	24,171,048	24,299,978
Operating Expenses		
Personal services	4,403,221	4,007,100
Purchased services	3,615,835	3,976,063
Materials and supplies	336,269	451,602
Repairs and maintenance	765,775	868,910
Gas and electric purchased for resale	12,144,696	12,922,941
Depreciation	1,445,984	1,354,148
Miscellaneous	113,206	98,440
Total Operating Expenses	22,824,986	23,679,204
Operating Income	1,346,062	620,774
Nonoperating Revenues (Expenses)		
Interest and fiscal charges	(55,398)	(60,505)
Gain/(Loss) on disposition of capital assets	-	6,460
Investment earnings	108,805	284,911
Total Nonoperating Revenues (Expenses)	53,407	230,866
Income Before Capital Contributions	1,399,469	851,640
Capital Contributions	2,874,325	-
Change in Net Position	4,273,794	851,640
Net Position Beginning of Year, as restated (Note 4-G)	43,674,912	42,823,272
Net Position End of Year	\$ 47,948,706	\$ 43,674,912

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, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 24,119,894	\$ 24,229,196
Cash payments for personal services	(4,287,121)	(4,274,738)
Cash payments for goods and services	<u>(16,649,841)</u>	<u>(19,293,901)</u>
Net Cash Provided by (Used in) Operating Activities	<u>3,182,932</u>	<u>660,557</u>
Cash Flows from Capital and Related Financing Activities		
Principal paid on notes payable	(354,000)	(348,892)
Interest paid on notes payable	(55,398)	(60,505)
Proceeds from the sale of capital assets	-	6,460
Payments for capital acquisitions	<u>(1,668,843)</u>	<u>(1,859,331)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,078,241)</u>	<u>(2,262,268)</u>
Cash Flows from Investing Activities		
Investment earnings	128,434	273,644
Net purchase of investments	<u>(2,636,850)</u>	<u>229,221</u>
Net Cash Provided (Used in) Investing Activities	<u>(2,508,416)</u>	<u>502,865</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,403,725)	(1,098,846)
Cash and Cash Equivalents Beginning of Year	<u>2,176,682</u>	<u>3,275,528</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 772,957</u></u>	<u><u>\$ 2,176,682</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, 2020 and 2019

(continued)

	<u>2020</u>	<u>2019</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 1,346,062	\$ 620,774
Adjustments:		
Depreciation	1,445,984	1,354,148
(Increase) Decrease in Assets:		
Accounts receivable	(89,447)	(93,422)
Materials and supplies inventory	(5,228)	(55,608)
Prepaid expenses	(67,319)	(6,796)
Deferred outflows of resources from pension amounts	(276,038)	71,536
Increase (Decrease) in Liabilities:		
Accounts payable	477,332	(128,613)
Accrued payroll	30,269	10,952
Payroll deductions payable	-	(48,840)
Sales and excise taxes payable	(1,598)	9,602
Intergovernmental payable	(78,845)	(784,928)
Customer deposits	39,891	13,038
Compensated absences payable	12,737	(7,860)
Net pension liability	737,567	(468,977)
Deferred inflows of resources from pension amounts	<u>(388,435)</u>	<u>175,551</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,182,932</u>	<u>\$ 660,557</u>
Noncash Capital Financing Activities:		
Capital Contributions	\$ 2,874,325	\$ -

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, 2020 and 2019*

Index

Summary of Significant Accounting Policies	1
Reporting Entity.....	1-A
Basis of Presentation.....	1-B
Measurement Focus	1-C
Basis of Accounting	1-D
Assets, Liabilities and Net Position	1-E
Cash, Cash Equivalents and Investments.....	1-E-1
Receivables	1-E-2
Intergovernmental Notes Receivable	1-E-3
Consumable Inventories.....	1-E-4
Prepaid Expenses	1-E-5
Restricted Assets.....	1-E-6
Capital Assets	1-E-7
Compensated Absences	1-E-8
Accrued Liabilities and Long-term Obligations.....	1-E-9
Net Position.....	1-E-10
Deferred Outflows/Inflows of Resources	1-E-11
Operating Revenues and Expenses	1-E-12
Pension.....	1-E-13
Contributions of Capital	1-E-14
Cost Allocations.....	1-E-15
Estimates.....	1-E-16
Comparative Data	1-E-17
Stewardship, Compliance and Accountability	2
Budgetary Information	2-A
Detailed Notes.....	3
Deposits and Investments.....	3-A
Receivables	3-B
Capital Assets.....	3-C
Operating Leases	3-D
Long-Term Debt.....	3-E
Pension Plan.....	3-F
Net Investment in Capital Assets.....	3-G
Other Notes	4
Contract Commitments	4-A
Significant Customers	4-B
Risk Management.....	4-C
Contingent Liabilities	4-D
Subsequent Events	4-E
Covid-19.....	4-F
Prior Period Adjustments	4-G

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

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, 2020 and 2019*

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, 2020. 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 Intergovernmental Note Receivable

The Utility Commission did not guarantee the renewal of the note to SunMark Community Bank on behalf of the Fort Valley Main Street Downtown Development Authority. In consideration of the payment by the Utility Commission in the amount of \$147,550.67 SunMark Community Bank transferred, assigned and conveyed to the Utility Commission all of its right, title, and interest in, to and under the certain Promissory Note dated May 2, 2011, between Fort Valley Main Street Downtown Development Authority, as Promissor and SunMark Community Bank, as Promissee, on June 13th 2014.

The Fort Valley Main Street Downtown Development Authority paid the Utility Commission \$11,550.67 on August 19th 2014 and the two entities began negotiations to modify the terms of the note.

The Utility Commission reduced the Downtown Development Authority note by \$23,000 during fiscal year 2017. In fiscal year 2020, the Utility Commission further reduced the Downtown Development Authority note by \$57,500 as they were not current on the note and the balance of the promissory note was deemed uncollectible.

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-4 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-5 Prepaid Expenses

Payments made to vendors for services (i.e., prepaid insurance) that will benefit periods beyond September 30, 2020, 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.

1-E-6 Restricted Assets

In 2019 and 2020 restricted assets consist of the new generation and capacity funding account in the amount of \$1,500,443 and \$1,550,376 respectively. And at September 30, 2019 and 2020, a construction loan certificate of deposit pledged as collateral in the amount of \$1,373,632 and \$1,375,010, respectively.

1-E-7 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%

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019*

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-8 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-9 Accrued Liabilities and Long-term Obligations

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

1-E-10 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-11 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-12 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-13 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.

**Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019**

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-14 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.

1-E-15 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 2019 and Electric 30.00%; Water 28.50%; Sewer 20.00%; Gas 20.00%; Telecom 1.50% for fiscal year 2020.

1-E-16 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-17 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.

(This page is continued on the subsequent page)

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019*

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.

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, 2020, 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, 2020, the bank balances were \$824,728 and the carrying amount was \$769,957.

At September 30, 2019, all bank balances were entirely insured or collateralized. At September 30, 2019, the bank balances were \$2,086,762 and the carrying amount was \$2,173,682.

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

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019*

Note 3 - Detailed Notes (Continued)

3-A. Deposits and Investments (Continued)

At September 30, 2020 and September 30, 2019, 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
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			
2019				
Certificates of Deposit	\$ 1,373,632	\$ -	\$ -	\$ 1,373,632
Money Market Account	3,152,622			
Municipal Competitive Trust	3,314,271			
Total	\$ 7,840,525			

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.

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, 2020 and 2019, 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, 2020		September 30, 2019	
	Amount	% of Total	Amount	% of Total
CB&T Bank of Middle Georgia	\$ 1,375,010	100%	\$ 1,373,632	100%

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 - Detailed Notes (Continued)

3-A. Deposits and Investments (Continued)

Cash & Investment Reconciliation:

	<u>September 30, 2020</u>		<u>September 30, 2019</u>	
	<u>Cash and</u>		<u>Cash and</u>	
	<u>Cash Equivalents</u>	<u>Investments</u>	<u>Cash Equivalents</u>	<u>Investments</u>
Enterprise Fund Type Statement of Net Position				
Unrestricted	\$ 769,168	\$ 7,551,989	\$ 2,172,894	\$ 4,966,450
Restricted	3,788	2,925,386	3,788	2,874,075
Less cash on hand and petty cash	(3,000)	-	(3,000)	-
Total	<u>\$ 769,956</u>	<u>\$ 10,477,375</u>	<u>\$ 2,173,682</u>	<u>\$ 7,840,525</u>

3-B. Receivables

Receivables at September 30, 2020 and 2019 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, 2020 and 2019.

(This page is continued on the subsequent page)

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 - Detailed Notes (Continued)

3-C. Capital Assets

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

Capital asset activity for the year ended September 30, 2019, was as follows:

	Balance 9/30/2018	Additions	Deductions	Balance 9/30/2019
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 161,981	\$ -	\$ -	\$ 161,981
Construction in progress	2,264,113	1,303,967	3,099,661	468,419
Total nondepreciable capital assets	2,426,094	1,303,967	3,099,661	630,400
Depreciable capital assets:				
Building	498,931	2,970,440	5,995	3,463,376
Distribution system	53,815,891	609,488	-	54,425,379
Machinery and equipment	4,750,096	75,098	41,926	4,783,268
Intangibles	498,549	-	-	498,549
Total depreciable capital assets	59,563,467	3,655,026	47,921	63,170,572
Total capital assets	61,989,561	4,958,993	3,147,582	63,800,972
Accumulated depreciation:				
Building	254,002	6,217	5,995	254,224
Distribution system	22,506,973	1,122,444	-	23,629,417
Machinery and equipment	3,517,771	208,701	41,926	3,684,546
Intangibles	277,844	16,787	-	294,631
Total accumulated depreciation	26,556,590	1,354,149	47,921	27,862,818
Business-type activities capital assets, net	\$ 35,432,971	\$ 3,604,844	\$ 3,099,661	\$ 35,938,154

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

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
2021	\$ 12,912
2022	12,912
2023	4,304
Total	<u>\$ 30,128</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
2021	\$ 432
2022	432
2023	432
2024	324
Total	<u>\$ 1,620</u>

3-E. Long-term Debt

At September 30, 2020, 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 are due quarterly with a final maturity date of February 1, 2021.

Annual debt service requirements to amortize this loan as of September 30, 2020 follow:

Fiscal	
Year	Principal
2021	\$ 81,727
Total	<u>\$ 81,727</u>

(This page is continued on the subsequent page)

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 - Detailed Notes (Continued)

3-E. Long term Debt (Continued)

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 are due quarterly with a final maturity date of February 1, 2021.

Annual debt service requirements to amortize this loan as of September 30, 2020 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 19,003	\$ 214	\$ 19,217
Total	<u>\$ 19,003</u>	<u>\$ 214</u>	<u>\$ 19,217</u>

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, 2020 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 44,890	\$ 17,162	\$ 62,052
2022	46,779	15,273	62,052
2023	48,744	13,309	62,053
2024	50,779	11,274	62,053
2025	52,932	9,121	62,053
2026-2029	<u>192,866</u>	<u>13,923</u>	<u>206,789</u>
Total	<u>\$ 436,990</u>	<u>\$ 80,062</u>	<u>\$ 517,052</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, 2020 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 16,420	\$ 2,524	\$ 18,944
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
2026-2028	<u>55,183</u>	<u>1,631</u>	<u>56,814</u>
Total	<u>\$ 140,480</u>	<u>\$ 11,054</u>	<u>\$ 151,534</u>

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 – Detailed Notes (Continued)

3-E. 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, 2020 follow:

Year	Principal	Interest	Total
2021	\$ 29,149	\$ 13,777	\$ 42,926
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
2026-2030	190,849	20,207	211,056
Total	\$ 349,294	\$ 76,395	\$ 425,689

GEFA Loan — DWI4001 – 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 Water Main System project. During the current period, the Utility Commission received disbursements of \$478,936 from the total amount approved. During 2016 the Commission received disbursements of \$920,333. A subsidy in the amount of \$466,490 has been received thus far and applied to the principal balance of the disbursements. The unpaid principal balance was \$870,539 as of September 30, 2020 and \$916,663 as of September 30, 2019. The final draw was taken subsequent to year end in October 2017. The loan was converted from construction status to repayment status. Payments of \$4,612 are made monthly with a final maturity date is November 1, 2037. The loan went into repayment in the amount of \$962,315.

Annual debt service requirements to amortize this loan as of September 30, 2020 follow:

Year	Principal	Interest	Total
2021	\$ 46,601	\$ 8,747	\$ 55,348
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
2026-2030	250,445	26,296	276,741
2031-2035	263,674	13,066	276,740
2036-2038	118,542	1,378	119,920
Total	\$ 870,539	\$ 79,602	\$ 950,141

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 – Detailed Notes (Continued)

3-E. 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 disbursements of \$522,971 from the total amount approved. A subsidy in the amount of \$82,946 was received during fiscal year 2018 and applied to the principal balance of the disbursements. The unpaid principal balance was \$420,512 as of September 30, 2020 and \$440,598 as of September 30, 2019. Payments of \$2,353.37 are made monthly with a final maturity date of March 1, 2038. The loan went into repayment in the amount of \$470,025.

Annual debt service requirements to amortize this loan as of September 30, 2020 follow:

Year	Principal	Interest	Total
2021	\$ 20,469	\$ 7,771	\$ 28,240
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
2026-2030	116,854	24,348	141,202
2031-2035	128,426	12,776	141,202
2036-2038	68,907	1,695	70,602
Total	\$ 420,512	\$ 73,697	\$ 494,209

(This page is continued on the subsequent page)

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 – Detailed Notes (Continued)

3-E. 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, 2020 and 2019:

	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>

	Outstanding 10/1/2018	Additions	Reductions	Outstanding 9/30/2019	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW97-027	\$ 408,635	\$ -	\$ 163,454	\$ 245,181	\$ 163,454	\$ 81,727
GEFA loan - DW97-027A	92,236	-	36,069	56,167	37,164	19,003
GELAC loan - 2006-L58WQ	521,438	-	41,344	480,094	43,080	437,014
GEFA loan - DWSRF 04-004	172,392	-	15,806	156,586	16,106	140,480
GELAC loan - 2007-L42WQ	404,132	-	26,858	377,274	27,980	349,294
GEFA loan - DW14-001	962,314	-	45,651	916,663	46,124	870,539
GEFA loan -CW2016025	460,309	-	19,710	440,599	20,087	420,512
Death benefits	222,106	-	-	222,106	-	222,106
Compensated absences	256,348	163,163	171,023	248,488	165,493	82,995
Total Business-Type Activities	<u>\$ 3,499,910</u>	<u>\$ 163,163</u>	<u>\$ 519,915</u>	<u>\$ 3,143,158</u>	<u>\$ 519,488</u>	<u>\$ 2,623,670</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-F. 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, 2020 and 2019

Note 3 – Detailed Notes (Continued)

3-F. 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, 2020, the plan had 44 active employees, 12 vested former employees, and 37 retired participants or beneficiaries currently receiving benefits. At September 30, 2019, the plan had 51 active employees, 9 vested former employees, and 35 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, 2019 and 2020 was 9.16 and 7.47 percent of covered payroll. The Commission's recommended contribution to the plan for the years ended September 30, 2019 and 2020 was \$263,504 and \$217,263. 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, 2019 and 2020, the Commission reported a net pension liability of \$503,294 and \$1,240,861. The net pension liability was measured as of September 30, 2018 and 2019, 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, 2019 and 2020.

For the year ended September 30, 2019, the Commission recognized pension expense of \$59,843. At September 30, 2019, 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	\$ 69,282	\$ (170,379)
Changes of Assumptions	69,478	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	(465,155)
Contributions made subsequent to measurement date	263,504	-
	<u>\$ 402,264</u>	<u>\$ (635,534)</u>

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.

*Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019*

Note 3 – Detailed Notes (Continued)

3-F. Pension Plan (Continued)

The Authority's contributions subsequent to the measurement date of \$263,504 and \$217,263 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, 2019 and 2020. Other amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows:

Year ended September 30:

2021	\$ (10,643)
2022	(5,160)
2023	154,441
2024	75,302
	\$ 213,940

Actuarial Assumptions – The total pension liability in the January 1, 2020 and 2019 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	9/30/2020	9/30/2019
Inflation	2.25%	2.75%
Salary Increases (including inflation)	3.00%	3.25%
Net Investment Rate of Return	7.375%	7.50%

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

The actuarial assumptions used in the January 1, 2020 and 2019 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 – June 30, 2019 and January 1, 2010 – June 30, 2014.

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, 2020 and 2019 are summarized in the following table:

Asset Class	Target Allocation	9/30/20 Long-Term Expected Real Rate of Return	9/30/19 Long-Term Expected Real Rate of Return
Domestic equity	45%	6.41%	6.40%
International equity	20%	6.96%	7.40%
Real estate	10%	4.76%	5.10%
Global fixed income	5%	3.06%	3.03%
Domestic fixed income	20%	1.96%	1.75%
Cash	0%		
Total	100%		

Discount Rate – The discount rate used to measure the total pension liability as of September 30, 2020 and 2019 was 7.375 and 7.50 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, 2020 and 2019*

Note 3 – Detailed Notes (Continued)

3-F. Pension Plan (Continued)

Changes in Net Pension Liability – Changes in the Commission’s net pension liability for the year ended September 30, 2020 and 2019 were as follows:

	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

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at October 1, 2018	\$ 8,850,576	\$ 7,878,305	\$ 972,271
Changes for the Year:			
Service Costs	113,091	-	113,091
Interest	651,391	-	651,391
Differences between expected and actual experience	(227,170)	-	(227,170)
Contributions - employer	-	254,108	(254,108)
Contributions - employee	-	-	-
Net investment income	-	769,539	(769,539)
Benefit payments, including refunds of employee contributions	(556,920)	(556,920)	-
Administrative expense	-	(17,358)	17,358
Other	-	-	-
Net changes	(19,608)	449,369	(468,977)
Balances at September 30, 2019	\$ 8,830,968	\$ 8,327,674	\$ 503,294

Utility Commission
City of Fort Valley, Georgia
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019

Note 3 – Detailed Notes (Continued)

3-F. 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 ▼ (6.375%)	Current Discount Rate (7.375%)	1% Increase ▼ (8.375%)
September 30, 2020:			
Net Pension Liability	\$ 2,325,878	\$ 1,240,861	\$ 322,961

Benefit Changes – Effective January 1, 2015, the plan was amended to provide for immediate participation for employees. This change had no impact on service credited under the plan and has no impact on benefits.

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-G. 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, 2020 and 2019 as follows:

	2020	2019
Net Investment in capital assets:		
Cost of capital assets	\$ 68,322,923	\$ 63,800,972
Less accumulated depreciation	(29,287,585)	(27,862,818)
Book Value	39,035,338	35,938,154
Less capital related debt	(2,318,564)	(2,672,564)
Net Investment in capital assets	\$ 36,716,774	\$ 33,265,590

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 \$75,994,583 at September 30, 2020 and \$80,472,908 at September 30, 2019. 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, 2020 and 2019*

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 \$2,883,681.17 at September 30, 2020 and \$1,813,828 at September 30, 2019. 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, 2020 were \$0 and \$0, respectively; at September 30, 2019 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 \$1,550,376 for 2020 and \$1,500,443 for 2019.

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, 2020 and 2019. 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, 2020 and 2019*

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 \$2,584,523 at September 30, 2020 and \$3,045,312 at September 30, 2019. 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%. 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 with construction beginning at the end of 2020. The project is expected to be completed by December 2021.

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, 2020 and 2019*

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, 2020 or 2019. 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 - The USDA Water System Improvement Project to serve Fort Valley State University was rebid and contracts A, B, and C were awarded by the Utility Commission on March 9, 2020. The original budget approved on April 15, 2011 was \$4,973,890. The new budget, based on the current awards, is \$4,973,890, an increase of \$738,890. Funding for the cost overrun will come from the Utility Commission's reserves. An Interim Bond for \$2,400,000 was issued on 10/21/2020 with Synovus as a draw down note. Funds are drawn as needed for project payment.

New Peach County High School - The Utility Commission was awarded the bid to serve power to the new Peach County High School. The Utility Commission will serve the new school with electric, water, wastewater, gas, and telecom services. The current project budget, all services combined, is \$2,294,968. Funding Source: GEFA loans and Contribution from Peach County Board of Education of 50% wastewater cost, up to \$750,000. Two GEFA loans were executed in August 2020 and draws began in December 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
Notes to the Basic Financial Statements
For the Years Ended September 30, 2020 and 2019*

Note 4 - Other Notes (Continued)

4-G. Prior Period Adjustments

During 2020, misstatements were identified in the September 30, 2019 and 2020 financial statements related to deferred compensation. The omissions resulted in an understatement to death benefits not properly reported.

The following changes have been made to the beginning net position as summarized and described below:

Net Postion - September 30, 2018 as originally reported	\$ 43,045,378
Prior period adjustment to deferred compensation for death benefits	<u>(222,106)</u>
Net Postion - September 30, 2018, as restated	<u><u>\$ 42,823,272</u></u>
Net Postion - September 30, 2019, as originally reported	\$ 43,897,018
Prior period adjustment to deferred compensation for death benefits	<u>(222,106)</u>
Net Postion - September 30, 2019, as restated	<u><u>\$ 43,674,912</u></u>

The restatement to net position was required to correct deferred compensation related to death benefits not properly recorded previously.

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, 2020

Total Pension Liability	2020	2019	2018	2017
Service Cost	\$ 103,115	\$ 113,091	\$ 112,839	\$ 109,755
Interest	650,367	651,391	636,872	598,733
Differences between expected and actual experience	(92,826)	(227,170)	19,441	238,247
Changes of assumptions	561,918	-	-	-
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(525,039)	(556,920)	(550,465)	(358,774)
Other	-	-	138,956	-
Net change in total pension liability	697,535	(19,608)	357,643	587,961
Total pension liability - beginning	8,830,968	8,850,576	8,492,933	7,904,972
Total pension liability - ending	<u>\$ 9,528,503</u>	<u>\$ 8,830,968</u>	<u>\$ 8,850,576</u>	<u>\$ 8,492,933</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 263,504	\$ 254,108	\$ 200,520	\$ 255,122
Contributions - Employee	-	-	-	-
Net Investments Income	237,653	769,539	1,056,958	730,391
Benefit Payments, including refunds of employee contributions	(525,039)	(556,920)	(550,465)	(358,774)
Administrative expense	(16,150)	(17,358)	(18,158)	(10,059)
Net change in fiduciary net position	(40,032)	449,369	688,855	616,680
Plan fiduciary net position - beginning	8,327,674	7,878,305	7,189,450	6,572,770
Plan fiduciary net position - ending	<u>\$ 8,287,642</u>	<u>\$ 8,327,674</u>	<u>\$ 7,878,305</u>	<u>\$ 7,189,450</u>
Net Pension Liability				
Net pension liability - ending	\$ 1,240,861	\$ 503,294	\$ 972,271	\$ 1,303,483
Plan's fiduciary net position as a percentage of the total pension liability	86.98%	94.30%	89.01%	84.65%
Covered payroll	\$ 2,591,017	\$ 2,850,874	\$ 2,819,279	\$ 2,951,168
Net pension liability as a percentage of covered payroll	47.89%	17.65%	34.49%	44.17%

Notes to the Schedule:

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

2016	2015
\$ 119,251	\$ 117,458
582,211	575,409
(170,715)	78,639
-	(407,054)
-	-
(276,361)	(276,999)
-	-
254,386	87,453
7,650,586	7,563,133
<u>\$7,904,972</u>	<u>\$ 7,650,586</u>
\$ 300,029	\$ 281,466
-	-
73,390	665,224
(276,361)	(276,999)
(11,662)	(9,329)
85,396	660,362
6,487,374	5,827,012
<u>\$6,572,770</u>	<u>\$ 6,487,374</u>
\$1,332,202	\$ 1,163,212
83.15%	84.80%
\$3,044,224	\$ 3,042,462
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, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	--*	\$ 263,504	\$ 235,879	\$ 218,749
Contributions in relation to the actuarially determined contribution	--*	263,504	254,108	200,520
Contribution deficiency (excess)	--*	\$ -	\$ (18,229)	\$ 18,229
Covered payroll	\$ 2,959,814	\$ 2,780,391	\$2,880,335	\$2,951,168
Contributions as a percentage of covered payroll	--*	9.48%	8.82%	6.79%

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.

2016	2015
\$ 255,122	\$ 276,637
255,122	300,029
\$ -	\$ (23,392)
\$ 3,044,224	\$ 3,042,462
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, 2020

1. Notes to Required Supplementary Information

Valuation Date	The actuarially-determined contribution rate was determined as of January 1, 2020, 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, 2021.
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 16 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	0.00 Percent
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, 2020

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, 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
Combining Schedule of Operating Revenues and Expenses
(After Cost Allocation)
For the Year Ended September 30, 2019

	<u>Natural Gas</u>	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Telecom</u>	<u>Total</u>
Operating Revenues						
Charges for services	\$ 4,582,181	\$ 13,711,671	\$ 2,711,511	\$ 2,191,218	\$ 468,194	\$ 23,664,775
Miscellaneous	150,032	441,921	26,437	16,813	-	635,203
Total Operating Revenues	<u>4,732,213</u>	<u>14,153,592</u>	<u>2,737,948</u>	<u>2,208,031</u>	<u>468,194</u>	<u>24,299,978</u>
Operating Expenses						
Personal services	619,520	1,028,435	1,232,912	1,041,237	84,996	4,007,100
Purchased services	670,864	1,542,193	848,268	854,529	60,209	3,976,063
Materials and supplies	64,245	69,465	121,830	190,671	5,391	451,602
Repairs and maintenance	123,206	224,196	282,392	192,907	46,209	868,910
Gas and electric purchased for resale	2,584,705	10,265,675	-	-	72,561	12,922,941
Depreciation	156,261	159,047	362,002	591,231	85,607	1,354,148
Miscellaneous	19,688	29,532	28,055	19,688	1,477	98,440
Total Operating Expenses	<u>4,238,489</u>	<u>13,318,543</u>	<u>2,875,459</u>	<u>2,890,263</u>	<u>356,450</u>	<u>23,679,204</u>
Operating Income (Loss)	<u>\$ 493,724</u>	<u>\$ 835,049</u>	<u>\$ (137,511)</u>	<u>\$ (682,232)</u>	<u>\$ 111,744</u>	<u>\$ 620,774</u>

Utility Commission
City of Fort Valley, Georgia
Combining Schedule of Operating Revenues and Expenses
(Before Cost Allocation)
For the Year Ended September 30, 2019

	Natural Gas	Electric	Water	Sewer	Telecom
Operating Revenues					
Charges for services	\$ 4,582,181	\$ 13,711,671	\$ 2,711,511	\$ 2,191,218	\$ 468,194
Miscellaneous	150,032	441,921	26,437	16,813	-
Total Operating Revenues	4,732,213	14,153,592	2,737,948	2,208,031	468,194
Operating Expenses					
Personal services	260,249	489,529	720,951	681,966	58,051
Purchased services	389,407	1,120,008	447,193	573,073	39,100
Materials and supplies	47,025	43,634	97,291	173,450	4,099
Repairs and maintenance	86,474	169,099	230,050	156,176	43,454
Gas and electric purchased for resale	2,584,705	10,265,675	-	-	72,561
Depreciation	142,411	138,272	342,265	577,381	84,568
Miscellaneous	-	-	-	-	-
Total Operating Expenses	3,510,271	12,226,217	1,837,750	2,162,046	301,833
Operating Income (Loss)	\$ 1,221,942	\$ 1,927,375	\$ 900,198	\$ 45,985	\$ 166,361

Administrative, Meter and Warehouse Costs			Total	
104	105	106	Administration	Total
\$ -	\$ -	\$ -	\$ -	\$ 23,664,775
109,746	-	-	109,746	744,949
109,746	-	-	109,746	24,409,724
1,441,862	264,139	90,353	1,796,354	4,007,100
1,370,850	14,851	21,581	1,407,282	3,976,063
28,071	11,470	46,562	86,103	451,602
116,493	16,524	50,640	183,657	868,910
-	-	-	-	12,922,941
69,251	-	-	69,251	1,354,148
208,186	-	-	208,186	208,186
3,234,713	306,984	209,136	3,750,833	23,788,950
\$ (3,124,967)	\$ (306,984)	\$ (209,136)	\$ (3,641,087)	\$ 620,774

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, 2020 and 2019

Object Classification	2020			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Charges for services:				
Electric	\$ 13,653,522	\$ 13,653,522	\$ 13,508,460	\$ (145,062)
Gas	4,113,032	4,113,032	3,910,634	(202,398)
Water	2,748,484	2,748,484	2,651,769	(96,715)
Sewer	2,233,123	2,233,123	2,170,935	(62,188)
Telecom	426,000	426,000	405,065	(20,935)
Fees	342,297	342,297	401,602	59,305
Investment earnings	47,053	47,053	108,805	61,752
Miscellaneous	456,751	456,751	4,137,426	3,680,675
Total Revenues	24,020,262	24,020,262	27,294,696	3,274,434
Expenses:				
Personal Services:				
Salaries and wages	3,191,640	3,191,640	3,017,771	173,869
Payroll taxes	241,774	241,774	216,246	25,528
Group insurance	1,068,841	1,068,841	814,105	254,736
Pension	340,613	340,613	331,512	9,101
Uniforms	52,184	52,184	17,880	34,304
Safety shoes	10,950	10,950	5,706	5,244
Total Personal Services	4,906,002	4,906,002	4,403,220	502,782
Purchased Services:				
Professional services - audit	40,000	40,000	36,067	3,933
Professional services - legal	351,200	351,200	309,506	41,694
Professional services - engineering	86,000	86,000	3,610	82,390
Professional services - other	701,760	701,760	557,440	144,320
Professional services - MEAG Power	7,650	7,650	6,770	880
Communications - postage	44,300	44,300	38,057	6,243
Communications - telephones	70,060	70,060	108,323	(38,263)
Utilities	693,900	693,900	604,064	89,836
Advertising	10,000	10,000	2,938	7,062
Transportation, room and board	81,000	81,000	25,005	55,995
Continuing professional education	86,375	86,375	48,053	38,322
Insurance	270,000	270,000	268,680	1,320
Total Purchased Services	2,442,245	2,442,245	2,008,513	433,732
Total Expenses Carried Forward	7,348,247	7,348,247	6,411,733	936,514

2019			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 12,248,441	\$ 13,448,441	\$ 13,743,537	\$ 295,096
4,373,076	4,373,076	4,592,908	219,832
2,607,639	2,607,639	2,728,007	120,368
2,120,270	2,120,270	2,206,616	86,346
445,000	445,000	468,315	23,315
292,742	292,742	423,428	130,686
45,577	45,577	284,912	239,335
665,764	665,764	321,521	(344,243)
22,798,509	23,998,509	24,769,244	770,735
3,214,949	3,214,949	2,898,037	316,912
244,156	244,156	207,145	37,011
1,034,330	1,034,330	775,019	259,311
362,876	362,876	84,775	278,101
51,415	51,415	36,062	15,353
10,825	10,825	6,062	4,763
4,918,551	4,918,551	4,007,100	911,451
40,000	40,000	36,316	3,684
126,200	426,200	552,260	(126,060)
75,000	75,000	23,358	51,642
524,520	524,520	478,852	45,668
7,200	7,200	7,280	(80)
43,920	43,920	36,624	7,296
61,524	61,524	131,882	(70,358)
692,400	692,400	629,312	63,088
15,500	15,500	6,095	9,405
82,562	82,562	39,450	43,112
84,905	84,905	49,767	35,138
250,435	250,435	248,878	1,557
2,004,166	2,304,166	2,240,074	64,092
6,922,717	7,222,717	6,247,174	975,543

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, 2020 and 2019

Object Classification	2020			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Total Expenses Brought Forward	\$ 7,348,247	\$ 7,348,247	\$ 6,411,733	\$ 936,514
Materials and Supplies:				
General office	21,300	21,300	14,764	6,536
Printed forms	2,400	2,400	1,866	534
General operating	319,100	319,100	171,874	147,226
Hand tools and small equipment	46,500	46,500	29,657	16,843
Safety	29,900	29,900	22,341	7,559
Custodial	10,200	10,200	14,606	(4,406)
City of Fort Valley	8,000	8,000	8,779	(779)
Vehicles and equipment - fuel and oil	92,800	92,800	72,516	20,284
Total Materials and Supplies	530,200	530,200	336,403	193,797
Repairs and Maintenance:				
Metering service	105,000	105,000	47,320	57,680
Overhead lines	138,000	138,000	100,381	37,619
Underground lines	197,000	197,000	131,078	65,922
Stations	59,500	59,500	41,162	18,338
Office equipment	91,650	91,650	87,231	4,419
Vehicles	73,000	73,000	71,745	1,255
Heavy equipment	106,900	106,900	91,047	15,853
Communications	7,350	7,350	1,465	5,885
Buildings	110,750	110,750	71,628	39,122
Other	229,000	229,000	122,718	106,282
Total Repairs and Maintenance	1,118,150	1,118,150	765,775	352,375
Total Gas and Electric Purchased For Resale	12,472,166	12,472,166	12,144,696	327,470
Depreciation	1,430,700	1,430,700	1,445,983	(15,283)
Total Expenses Carried Forward	22,899,463	22,899,463	21,104,590	1,794,873

2019			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 6,922,717	\$ 7,222,717	\$ 6,247,174	\$ 975,543
20,800	20,800	19,910	890
4,400	4,400	1,222	3,178
324,100	324,100	239,668	84,432
45,000	45,000	31,616	13,384
28,400	28,400	26,017	2,383
11,500	11,500	9,261	2,239
19,800	19,800	12,675	7,125
92,100	92,100	86,264	5,836
546,100	546,100	426,633	119,467
29,000	29,000	32,986	(3,986)
110,000	110,000	133,462	(23,462)
182,000	182,000	127,093	54,907
54,100	54,100	56,044	(1,944)
92,300	92,300	79,065	13,235
57,700	57,700	77,693	(19,993)
101,900	101,900	67,970	33,930
4,500	4,500	7,412	(2,912)
101,250	101,250	109,159	(7,909)
235,000	235,000	178,025	56,975
967,750	967,750	868,909	98,841
12,072,250	12,704,529	12,922,940	(218,411)
1,305,264	1,305,264	1,354,148	(48,884)
21,814,081	22,746,360	21,819,804	926,556

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, 2020 and 2019

Object Classification	2020			Variance With Final Budget
	Original Budget	Final Budget	Actual	
Total Expenses Brought Forward	\$ 22,899,463	\$ 22,899,463	\$ 21,104,590	\$ 1,794,873
Miscellaneous:				
Operating	230,486	233,986	285,585	(51,599)
Non-operating	126,083	126,083	149,864	(23,781)
Interest	75,000	75,000	55,398	19,602
Bad debts	77,400	77,400	119,035	(41,635)
Franchise fees	1,388,950	1,388,950	1,352,449	36,501
City of Roberta collection fees	6,000	6,000	3,152	2,848
Aid to other governments	1,000	1,000	-	1,000
Total Miscellaneous	<u>1,904,919</u>	<u>1,908,419</u>	<u>1,965,483</u>	<u>(57,064)</u>
Total Expenses	<u>24,804,382</u>	<u>24,807,882</u>	<u>23,070,073</u>	<u>1,737,809</u>
Net Income - Budgetary Basis	<u>\$ (784,120)</u>	<u>\$ (787,620)</u>	4,224,623	<u>\$ 5,012,243</u>
Non-budgeted Items:				
Contributions			30,310	
Gain/(Loss) on disposal of capital assets			-	
Inventory adjustments			<u>18,861</u>	
Change in Net Position - GAAP Basis			<u>\$ 4,273,794</u>	

2019			
Original Budget	Final Budget	Actual	Variance With Final Budget
\$ 21,814,081	\$ 22,746,360	\$ 21,819,804	\$ 926,556
202,283	202,283	121,492	80,791
111,500	111,500	180,782	(69,282)
76,500	76,500	60,503	15,997
47,570	47,570	83,838	(36,268)
1,323,779	1,323,779	1,419,887	(96,108)
6,000	6,000	1,343	4,657
1,000	227,258	226,553	705
1,768,632	1,994,890	2,094,398	(99,508)
23,582,713	24,741,250	23,914,202	827,048
\$ (784,204)	\$ (742,741)	855,042	\$ 1,597,783

-
6,460
(9,862)
\$ 851,640

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 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.	S-1 - S-17
Revenue Capacity 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.	S-18 - S-27
Debt Capacity 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.	S-28 & S-29
Demographic and Economic Information 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.	S-30 & S-31
Operating Information 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.	S-32 - S-34

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
2011	\$ 20,194,404	\$ 19,380,601	\$ 813,803	\$ (45,138)	\$ 768,665	\$ 1,280	\$ 769,945
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
Annual Percentage Change							
2011	6.0%	-1.6%	-169.3%	-94.7%	320.5%	-96.1%	-66.2%
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%	100.0%	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%

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-2⁶ Table S-3

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

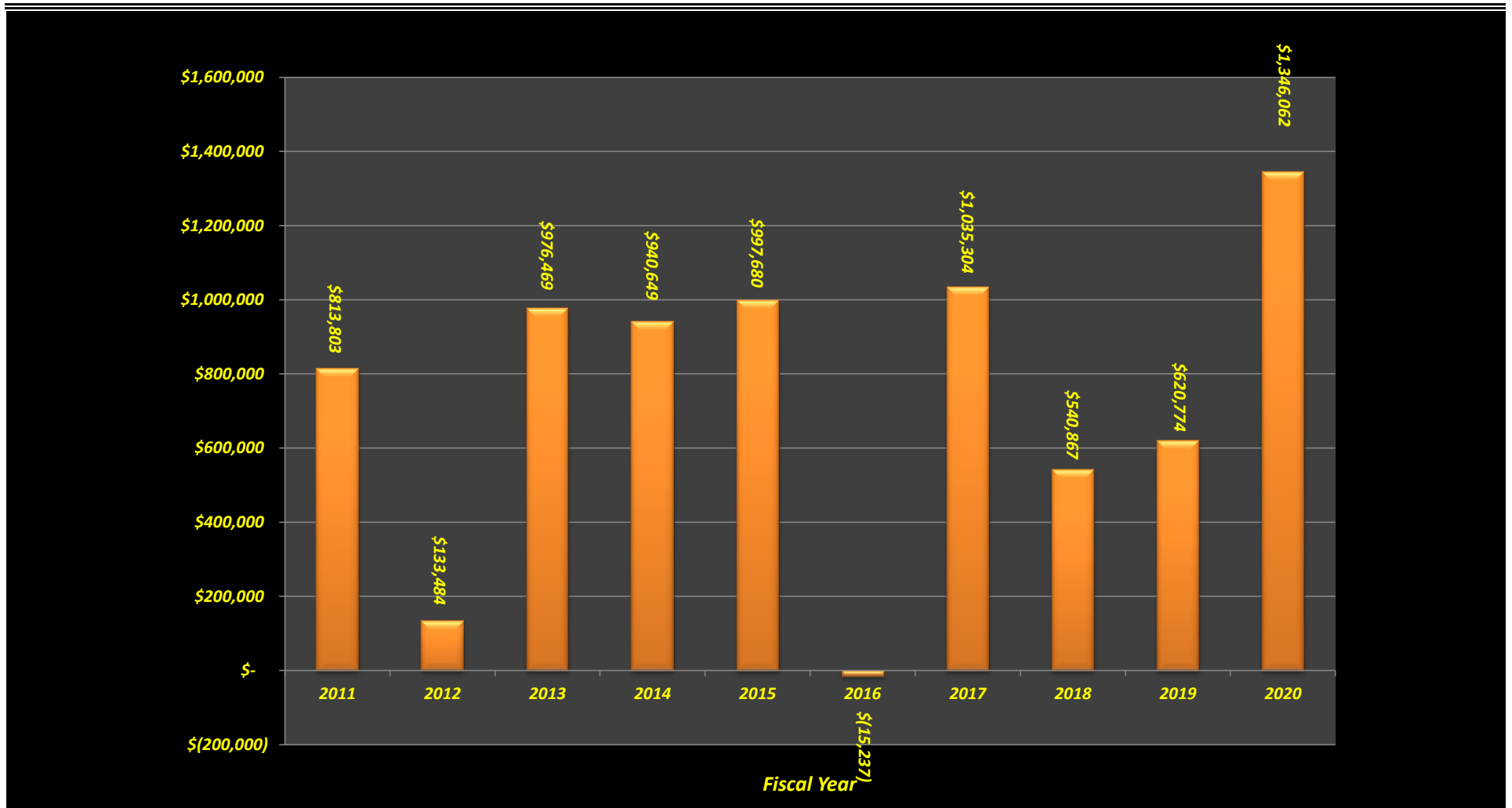


Table S-2

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
2011	\$ 4,205,605	\$ 2,049,218	\$ 516,500	\$ 901,954	\$ 10,259,569	\$ 1,203,012	\$ 244,743	\$ 19,380,601
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
*	\$ 4,304,090	\$ 2,728,214	\$ 478,189	\$ 846,644	\$ 11,403,501	\$ 1,215,880	\$ 209,472	\$ 21,185,989
**	4.7%	76.4%	-34.9%	-15.1%	18.4%	20.2%	-53.7%	17.8%
Annual Percentage Change								
2011	3.0%	-5.2%	9.3%	0.5%	-5.0%	3.3%	135.4%	-1.6%
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%

* 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)
2011	\$ (71,283)	\$ 35,995	\$ (9,850)	\$ -	\$ (45,138)
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

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}				Total
	Developers	State of Georgia ²	Other ^{3,4,6}		
2011	\$ -	\$ -	\$ 1,280	\$	1,280
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

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
2010	\$ 4,345,343	-11.7%	\$ 4,263,750	-5.2%	\$ 81,593	-80.6%
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%

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

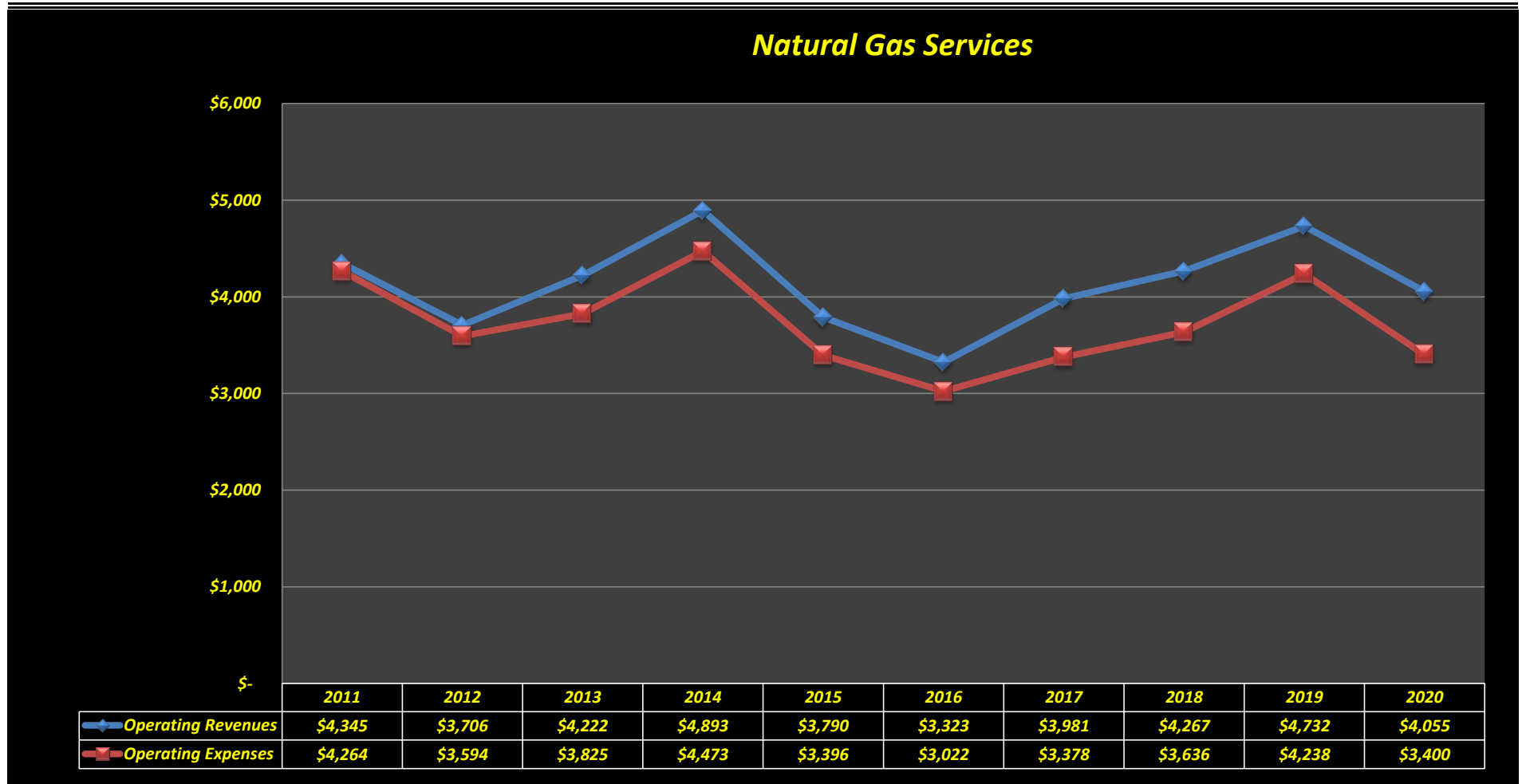


Table S-6

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Amounts ^{1,2,3}										
Operating Revenues	\$ 4,919,587	\$ 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
Operating Expenses:										
Personal services	757,987	800,567	820,994	808,499	680,836	828,913	755,144	742,067	619,520	663,424
Purchased services	436,300	449,059	362,462	415,124	412,847	414,170	459,537	481,505	670,864	547,026
Materials and supplies	46,865	56,209	49,586	58,221	45,247	58,271	40,804	44,170	64,245	38,306
Repairs and maintenance	104,389	137,777	131,471	133,135	144,166	158,976	127,713	135,016	123,206	89,234
Gas purchased for resale	2,726,969	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
Depreciation	138,254	139,574	136,236	121,169	124,118	124,765	127,373	130,813	156,261	181,238
Miscellaneous	52,986	34,143	60,699	98,556	26,971	21,196	62,893	39,190	19,688	22,641
Total Operating Expenses	4,263,750	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
Operating Income (Loss)	\$ 655,837	\$ 751,115	\$ (118,970)	\$ (250,200)	\$ 1,497,223	\$ 301,024	\$ 603,523	\$ 630,793	\$ 493,724	\$ 655,340
Percentage of Total										
Operating Revenues	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses:										
Personal services	17.8%	22.3%	21.5%	18.1%	20.0%	27.4%	22.4%	20.4%	14.6%	19.5%
Purchased services	10.2%	12.5%	9.5%	9.3%	12.2%	13.7%	13.6%	13.2%	15.8%	16.1%
Materials and supplies	1.1%	1.6%	1.3%	1.3%	1.3%	1.9%	1.2%	1.2%	1.5%	1.1%
Repairs and maintenance	2.4%	3.8%	3.4%	3.0%	4.2%	5.3%	3.8%	3.7%	2.9%	2.6%
Gas purchased for resale	64.0%	55.0%	59.2%	63.5%	57.8%	46.8%	53.4%	56.7%	61.0%	54.7%
Depreciation	3.2%	3.9%	3.6%	2.7%	3.7%	4.1%	3.8%	3.6%	3.7%	5.3%
Miscellaneous	1.2%	0.9%	1.6%	2.2%	0.8%	0.7%	1.9%	1.1%	0.5%	0.7%
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	13.3%	17.3%	-3.2%	-5.9%	30.6%	9.1%	15.2%	14.8%	10.4%	16.2%

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
2011	\$ 757,987	\$ 436,300	\$ 46,865	\$ 104,389	\$ 2,726,969	\$ 138,254	\$ 52,986	\$ 4,263,750
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
*	\$ 747,795	\$ 464,889	\$ 50,192	\$ 128,508	\$ 2,149,285	\$ 137,980	\$ 43,896	\$ 3,722,547
**	-12.5%	25.4%	-18.3%	-14.5%	-31.9%	31.1%	-57.3%	-20.3%
Annual Percentage Change								
2011	6.7%	16.3%	36.2%	53.7%	-12.9%	8.9%	60.0%	-5.2%
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%

* 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
2011	\$ 11,639,674	-0.5%	\$ 9,970,659	11.0%	\$ 1,669,015	-38.5%
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%

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.

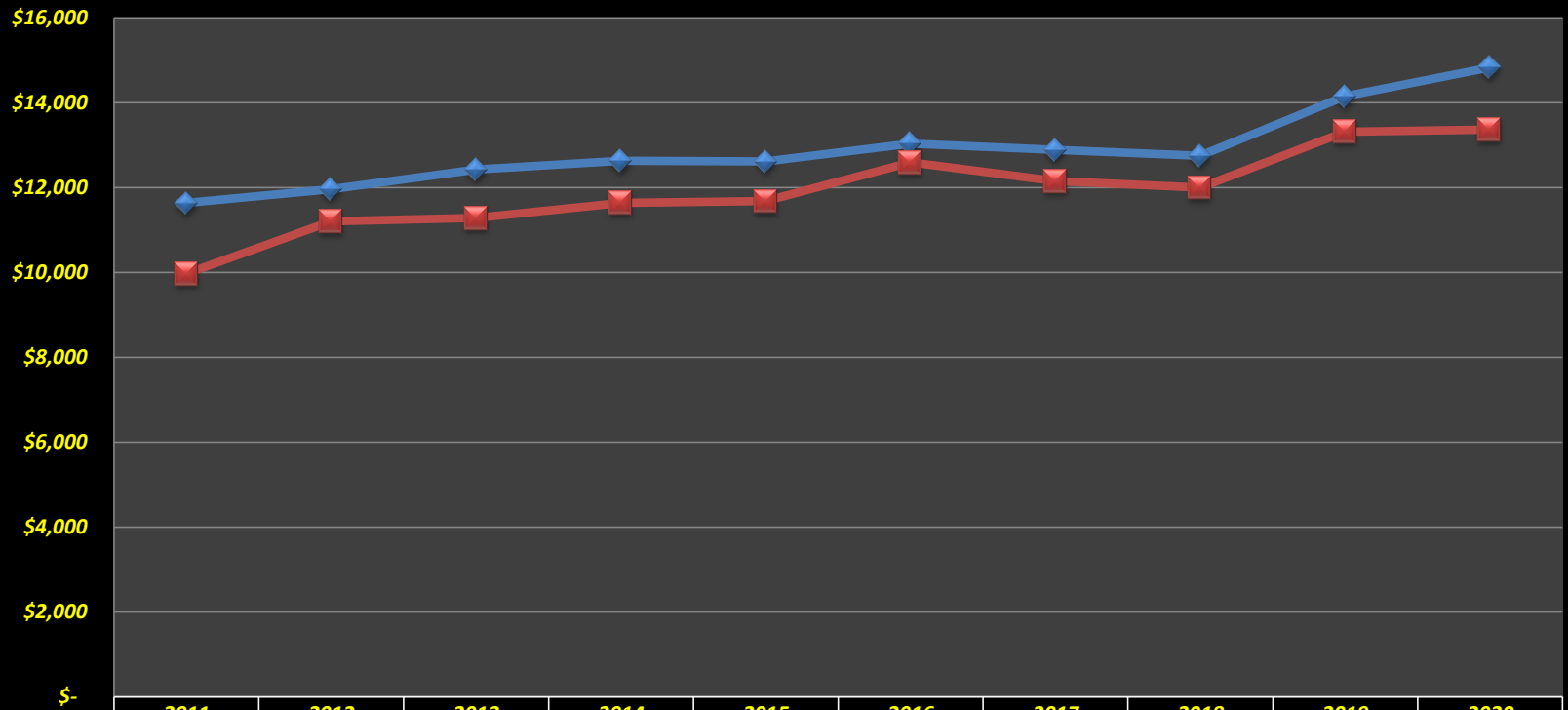
⁵ Fiscal year rate increase across the board effective October 2012.

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



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating Revenues	\$11,640	\$11,967	\$12,428	\$12,631	\$12,616	\$13,042	\$12,895	\$12,754	\$14,154	\$14,835
Operating Expenses	\$9,971	\$11,204	\$11,288	\$11,642	\$11,682	\$12,596	\$12,159	\$12,000	\$13,319	\$13,369

Table S-9

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Amounts ^{1,2}										
Operating Revenues	\$ 11,639,674	\$ 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
Operating Expenses:										
Personal services	1,063,623	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
Purchased services	916,785	957,993	959,508	981,592	976,193	981,446	1,102,807	1,225,657	1,542,193	1,531,562
Materials and supplies	74,214	63,764	70,178	77,645	64,612	67,256	60,873	65,962	69,465	61,010
Repairs and maintenance	163,709	135,214	197,312	156,369	158,092	200,694	225,650	185,518	224,196	201,599
Electric purchased for resale	7,573,134	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
Depreciation	105,770	110,900	113,325	117,347	125,020	141,750	148,948	146,358	159,047	181,005
Miscellaneous	73,424	47,319	84,109	137,520	37,634	31,795	94,340	58,785	29,532	33,962
Total Operating Expenses	<u>9,970,659</u>	<u>11,203,817</u>	<u>11,287,894</u>	<u>11,642,340</u>	<u>11,682,466</u>	<u>12,595,767</u>	<u>12,159,353</u>	<u>12,000,105</u>	<u>13,318,543</u>	<u>13,368,824</u>
Operating Income (Loss)	<u>\$ 1,669,015</u>	<u>\$ 763,079</u>	<u>\$ 1,140,023</u>	<u>\$ 988,509</u>	<u>\$ 933,035</u>	<u>\$ 445,767</u>	<u>\$ 736,019</u>	<u>\$ 754,013</u>	<u>\$ 835,049</u>	<u>\$ 1,466,054</u>
Percentage of Total										
Operating Revenues	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Operating Expenses:										
Personal services	10.7%	9.7%	10.2%	9.8%	8.3%	9.7%	8.9%	9.0%	7.7%	8.3%
Purchased services	9.2%	8.6%	8.5%	8.4%	8.4%	7.8%	9.1%	10.2%	11.6%	11.5%
Materials and supplies	0.7%	0.6%	0.6%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
Repairs and maintenance	1.6%	1.2%	1.7%	1.3%	1.4%	1.6%	1.9%	1.5%	1.7%	1.5%
Electric purchased for resale	76.0%	78.6%	77.2%	77.6%	80.1%	79.0%	77.6%	76.9%	77.1%	76.7%
Depreciation	1.1%	1.0%	1.0%	1.0%	1.1%	1.1%	1.2%	1.2%	1.2%	1.4%
Miscellaneous	0.7%	0.4%	0.7%	1.2%	0.3%	0.3%	0.8%	0.5%	0.2%	0.3%
Total Operating Expenses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Operating Income (Loss) as a Percentage of Operating Revenues	<u>14.3%</u>	<u>6.4%</u>	<u>9.2%</u>	<u>7.8%</u>	<u>7.4%</u>	<u>3.4%</u>	<u>5.7%</u>	<u>5.9%</u>	<u>5.9%</u>	<u>9.9%</u>

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
2011	\$ 1,063,623	\$ 916,785	\$ 74,214	\$ 163,709	\$ 7,573,134	\$ 105,770	\$ 73,424	\$ 9,970,659
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
*	\$ 1,092,884	\$ 1,117,574	\$ 67,498	\$ 184,835	\$ 9,262,397	\$ 134,947	\$ 62,842	\$ 11,922,977
**	3.8%	67.1%	-17.8%	23.1%	35.4%	71.1%	-53.7%	34.1%
Annual Percentage Change								
2011	-0.2%	4.9%	42.8%	36.0%	13.1%	1.0%	0.6%	11.0%
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%

* 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
2011	\$ 2,329,823	4.1%	\$ 2,823,162	9.9%	\$ (493,339)	-49.5%
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%

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

Water Services

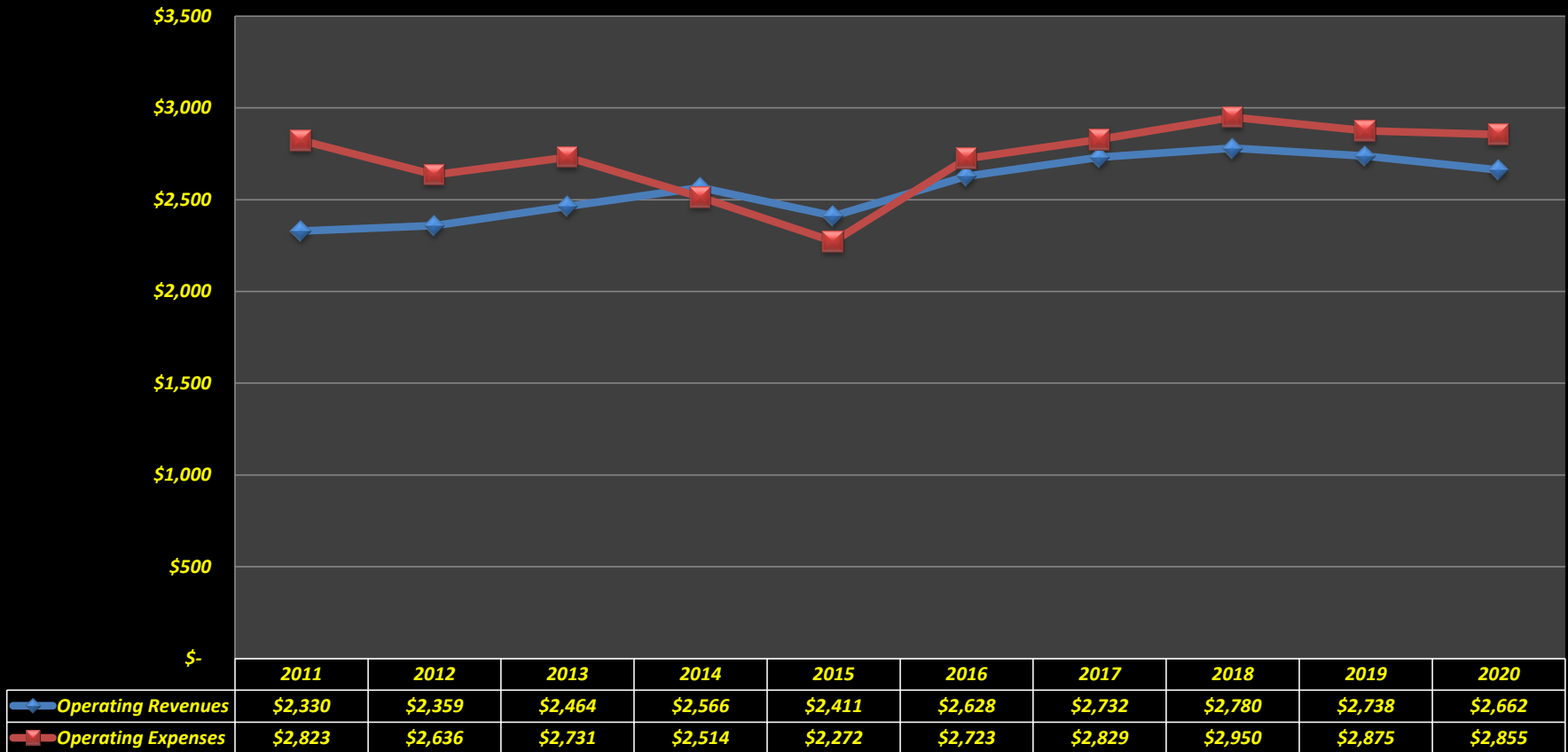


Table S-12

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2019
	Amounts ^{1,2,3}									
Operating Revenues	\$ 2,329,823	\$ 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
Operating Expenses:										
Personal services	1,326,267	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
Purchased services	357,638	461,906	451,321	391,224	342,002	525,356	623,754	764,266	848,268	740,990
Materials and supplies	178,880	148,498	150,615	158,497	127,147	102,247	113,383	124,162	121,830	95,905
Repairs and maintenance	477,871	318,738	354,351	278,940	377,244	305,816	237,569	321,139	282,392	235,209
Cost of treated water contra expense	(70,698)	(100,714)	(81,895)	(176,501)	(190,990)	-	-	-	-	-
Depreciation	484,063	399,618	373,171	368,932	368,209	328,736	326,486	322,094	362,002	394,137
Miscellaneous	69,141	44,559	79,203	129,499	35,439	30,205	89,623	55,846	28,055	32,264
Total Operating Expenses	2,823,162	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
Operating Income (Loss)	\$ (493,339)	\$ (276,243)	\$ (267,195)	\$ 52,487	\$ 138,668	\$ (95,555)	\$ (97,209)	\$ (170,630)	\$ (137,511)	\$ (192,989)
	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	47.0%	51.7%	51.4%	54.2%	53.4%	52.5%	50.8%	46.2%	42.9%	47.5%
Purchased services	12.7%	17.5%	16.5%	15.6%	15.1%	19.3%	22.1%	25.9%	29.5%	26.0%
Materials and supplies	6.3%	5.6%	5.5%	6.3%	5.6%	3.8%	4.0%	4.2%	4.2%	3.4%
Repairs and maintenance	16.9%	12.1%	13.0%	11.1%	16.6%	11.2%	8.4%	10.9%	9.8%	8.2%
Cost of treated water contra expense	-2.5%	-3.8%	-3.0%	-7.0%	-8.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation	17.1%	15.2%	13.7%	14.7%	16.2%	12.1%	11.5%	10.9%	12.6%	13.8%
Miscellaneous	2.4%	1.7%	2.9%	5.2%	1.6%	1.1%	3.2%	1.9%	1.0%	1.1%
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	-21.2%	-11.7%	-10.8%	2.0%	5.8%	-3.6%	-3.6%	-6.1%	-5.0%	-7.2%

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	
2011	\$ 1,326,267	\$ 357,638	\$ 178,880	\$ 477,871	\$ (70,698)	\$ 484,063	\$ 69,141	\$ 2,823,162	
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	
* **	\$ 1,349,109 2.3%	\$ 550,673 107.2%	\$ 132,116 -46.4%	\$ 318,927 -50.8%	\$ (62,080) -100.0%	\$ 372,745 -18.6%	\$ 59,383 -53.3%	\$ 2,720,874 1.1%	
Annual Percentage Change									
2011	2.5%	8.5%	37.3%	45.5%	80.0%	-0.7%	0.6%	9.9%	
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%	0.0%	-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%	

* 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.

Table S-14

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
2011	\$ 1,879,564	8.2%	\$ 2,323,030	4.5%	\$ (443,466)	8.7%
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%

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

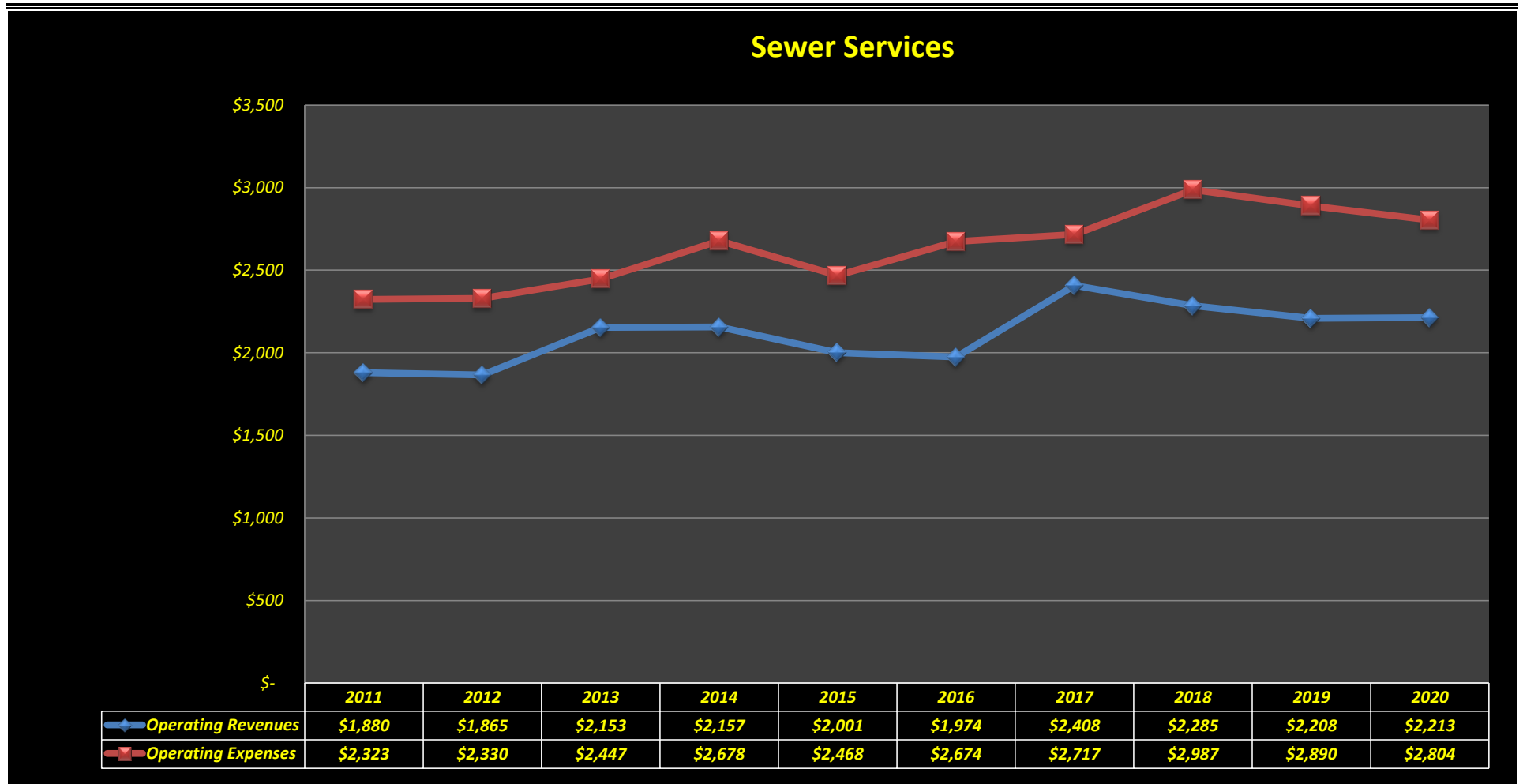


Table S-15

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Amounts ^{1,2,3}									
Operating Revenues	\$ 1,879,564	\$ 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
Operating Expenses:										
Personal services	1,057,728	1,045,589	1,109,849	1,125,247	985,906	992,933	918,996	1,073,340	1,041,237	1,118,515
Purchased services	338,495	321,273	328,171	456,500	430,194	652,056	747,798	877,965	854,529	741,814
Materials and supplies	216,541	249,760	265,849	271,362	233,187	218,972	227,812	214,353	190,671	136,248
Repairs and maintenance	155,985	171,823	174,516	195,875	245,505	246,427	205,938	212,569	192,907	184,454
Cost of treated sewer contra expense	30,164	30,844	33,360	45,120	45,542	-	-	-	-	-
Depreciation	474,925	478,724	478,956	491,019	502,659	542,763	553,364	569,448	591,231	600,455
Miscellaneous	49,192	31,702	56,353	92,826	25,403	21,197	62,893	39,190	19,688	22,641
Total Operating Expenses	2,323,030	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
Operating Income (Loss)	\$ (443,466)	\$ (464,695)	\$ (294,135)	\$ (520,959)	\$ (467,697)	\$ (700,619)	\$ (309,288)	\$ (701,436)	\$ (682,232)	\$ (590,993)
	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	45.5%	44.9%	45.4%	42.0%	39.9%	37.1%	33.8%	35.9%	36.0%	39.9%
Purchased services	14.6%	13.8%	13.4%	17.0%	17.4%	24.4%	27.5%	29.4%	29.6%	26.5%
Materials and supplies	9.3%	10.7%	10.9%	10.1%	9.4%	8.2%	8.4%	7.2%	6.6%	4.9%
Repairs and maintenance	6.7%	7.4%	7.1%	7.3%	9.9%	9.2%	7.6%	7.1%	6.7%	6.6%
Cost of treated sewer contra expense	1.3%	1.3%	1.4%	1.7%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Depreciation	20.4%	20.5%	19.6%	18.3%	20.4%	20.3%	20.4%	19.1%	20.5%	21.4%
Miscellaneous	2.1%	1.4%	2.3%	3.5%	1.0%	0.8%	2.3%	1.3%	0.7%	0.8%
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	-23.6%	-24.9%	-13.7%	-24.2%	-23.4%	-35.5%	-12.8%	-30.7%	-30.9%	-26.7%

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	
2011	\$ 1,057,728	\$ 338,495	\$ 216,541	\$ 155,985	\$ 30,164	\$ 474,925	\$ 49,192	\$ 2,323,030	
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	
*	\$ 1,046,934	\$ 574,880	\$ 222,476	\$ 198,600	\$ 18,503	\$ 528,354	\$ 42,109	\$ 2,631,855	
**	5.7%	119.2%	-37.1%	18.3%	-100.0%	26.4%	-54.0%	20.7%	
Annual Percentage Change									
2011	2.3%	-18.0%	6.9%	-4.4%	9.1%	44.2%	60.0%	4.5%	
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%	

* 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, 2011	September 30, 2012	September 30, 2013	September 30, 2014	September 30, 2015
Amounts ²					
Net Position Components					
Net investment in capital assets	\$ 24,644,448	\$ 24,440,922	\$ 24,167,429	\$ 24,629,201	\$ 27,873,499
Restricted	405,020	561,130	2,558,901	2,835,546	3,089,084
Unrestricted	11,086,480	11,228,558	10,387,472	10,710,866	9,329,472
Total Net Position	\$ 36,135,948	\$ 36,230,610	\$ 37,113,802	\$ 38,175,613	\$ 40,292,055
Percentage of Total					
Net Position Components					
Net investment in capital assets	68.2%	67.5%	65.1%	64.5%	69.2%
Restricted	1.1%	1.5%	6.9%	7.4%	7.7%
Unrestricted	30.7%	31.0%	28.0%	28.1%	23.2%
Total Net Position	100.0%	100.0%	100.0%	100.0%	100.0%
	September 30, 2016	September 30, 2017	September 30, 2018	September 30, 2019	September 30, 2020
Amounts ²					
Net Position Components					
Net investment in capital assets	\$ 28,585,600	\$ 29,695,761	\$ 32,411,515	\$ 33,265,590	\$ 36,716,774
Restricted	2,732,719	2,748,061	2,773,503	2,874,075	2,925,386
Unrestricted	9,582,775	9,797,850	7,624,481	7,757,353	8,306,546
Total Net Position	\$ 40,901,094	\$ 42,241,672	\$ 42,809,499	\$ 43,897,018	\$ 47,948,706
Percentage of Total					
Net Position Components					
Net investment in capital assets	69.9%	70.3%	75.7%	75.8%	76.6%
Restricted	6.7%	6.5%	6.5%	6.5%	6.1%
Unrestricted	23.4%	23.2%	17.8%	17.7%	17.3%
Total Net Position	100.0%	100.0%	100.0%	100.0%	100.0%

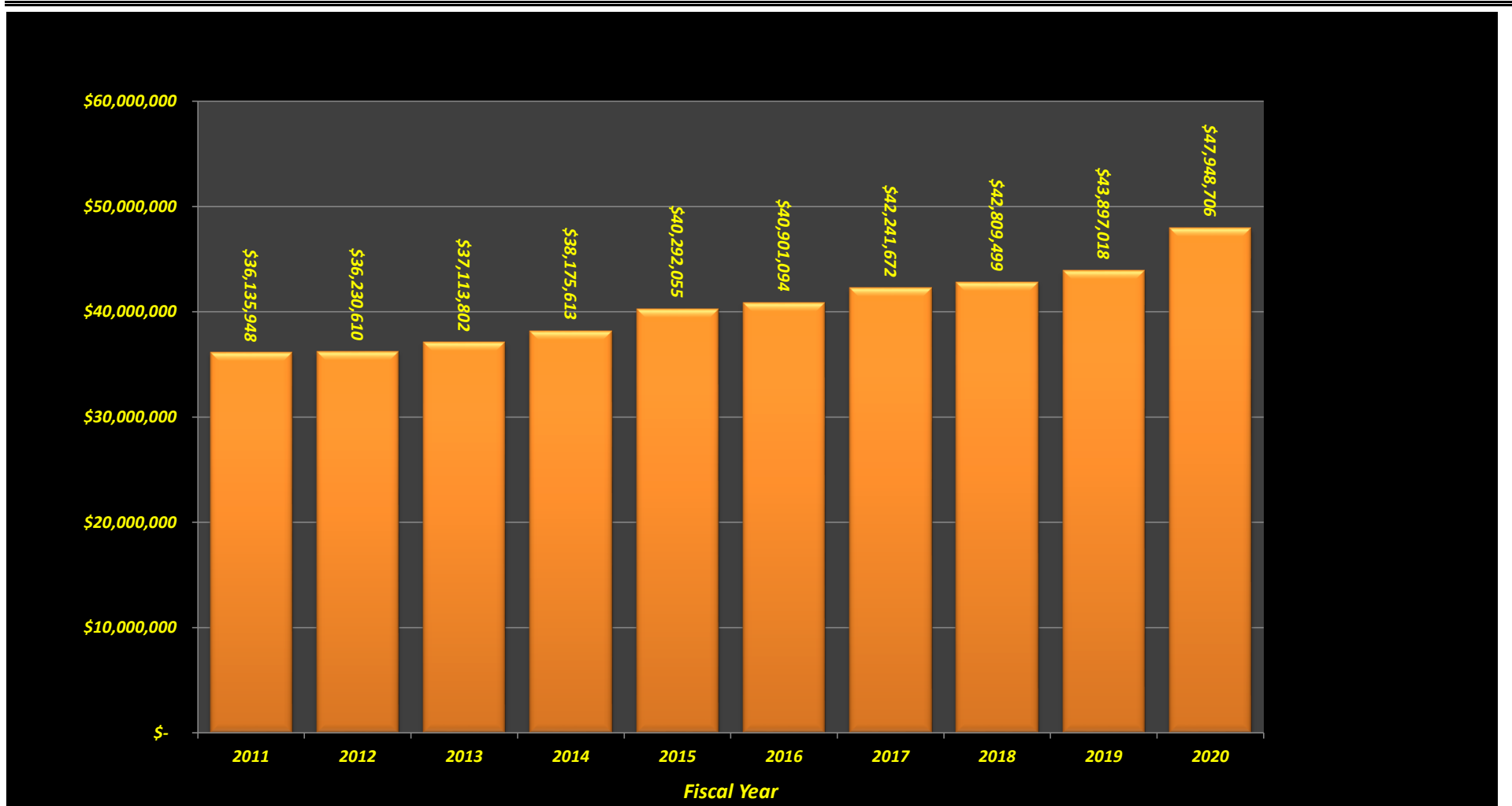
Notes:

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
2011	425,080,700	-10.4%	126,671,647	-0.1%	533,728,500	-0.6%	277,027,500	3.5%
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%
2019	554,365,100	11.5%	139,753,453	3.8%	439,753,688	-3.5%	291,117,860	-1.0%

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>2011</i>	<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>
General Service:										
Base Charge	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 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	0.28000	0.31000	0.31000	0.31000	0.31000	0.41000	0.41000	0.41000	0.41000
Summer	0.54000	0.54000	0.54000	0.54000	0.54000	0.54000	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	1.6100	1.8000	1.8000	1.8000	1.8000
Next 3000 Mcf	1.3400	1.3400	1.3400	1.3400	1.3400	1.3400	1.5000	1.5000	1.5000	1.5000
Next 6000 Mcf	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700	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

	2011	2012 ³	2013 ⁵	2014	2015	2016	2017 ⁶	2018	2019	2020
Residential:										
Winter Rates:										
Base Charge	\$ 7.00000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 15.00000	\$ 16.00000	\$ 17.00000	\$ 18.00000
First 650 kWh	0.05200	0.07600	0.08090	0.08090	0.08090	0.08090	0.07837	0.08207	0.08577	0.08947
Next 350 kWh	0.04800	0.07200	0.07690	0.07690	0.07690	0.07690	0.07439	0.07809	0.08178	0.08547
Over 1000 kWh	0.04400	0.06800	0.07290	0.07290	0.07290	0.07290	0.07038	0.07404	0.07773	0.08142
Summer Rates:										
Base Charge	7.00000	9.50000	9.50000	9.50000	9.50000	9.50000	15.00000	16.00000	17.00000	18.00000
First 650 kWh	0.05200	0.07600	0.08090	0.08090	0.08090	0.08090	0.07837	0.08207	0.08577	0.08947
Next 350 kWh	0.06000	0.09600	0.10090	0.10090	0.10090	0.10090	0.09837	0.10207	0.10577	0.10947
Over 1000 kWh	0.06800	0.10400	0.10890	0.10890	0.10890	0.10890	0.10637	0.11010	0.11381	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
All kWh	-	0.13500	0.13990	0.13990	0.13990	0.13990	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
All kWh	-	0.16000	0.16490	0.16490	0.16490	0.16490	0.16600	0.16600	0.16600	0.16600
First 25 kWh	15.00000	-	-	-	-	-	-	-	-	-
Next 475 kWh	0.12000	-	-	-	-	-	-	-	-	-
Next 1000 kWh	0.11200	-	-	-	-	-	-	-	-	-
Next 8500 kWh	0.10800	-	-	-	-	-	-	-	-	-
All over 10000 kWh	0.09800	-	-	-	-	-	-	-	-	-
Commercial:										
Base charge	25.00000	35.00000	35.00000	35.00000	35.00000	35.00000	50.00000	50.00000	50.00000	50.00000
Demand charge	-	-	-	-	-	-	5.00000	6.00000	7.00000	8.00000
First 200 X KW:										
First 3000 kWh	0.13000	0.15000	0.15490	0.15490	0.15490	0.15490	0.13259	0.12165	0.11766	0.10946
Next 7000 kWh	0.12200	0.14000	0.14490	0.14490	0.14490	0.14490	0.11509	0.10415	0.10016	0.09196
Next 190000 kWh	0.10800	0.13000	0.13490	0.13490	0.13490	0.13490	0.09509	0.08415	0.08016	0.07196
Over 200000 kWh	0.08700	0.12000	0.12490	0.12490	0.12490	0.12490	0.07009	0.05915	0.05516	0.04696
Next 200 X KW	0.02900	0.06000	0.06490	0.06490	0.06490	0.06490	0.06009	0.06009	0.05610	0.04790
Next 200 X KW	0.02600	0.05600	0.06090	0.06090	0.06090	0.06090	0.04654	0.04654	0.04253	0.03429
Over 600 X KW	0.02500	0.05200	0.05690	0.05690	0.05690	0.05690	0.03214	0.03214	0.02847	0.02047

(Continued)

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

	2011	2012 ³	2013 ⁵	2014	2015	2016	2017 ⁶	2018	2019	2020
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	7.00000
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	0.11766
Next 7000 kWh	0.11600	0.11600	0.13300	0.13790	0.13790	0.13790	0.13790	0.11509	0.10415	0.10016
Next 190000 kWh	0.10200	0.10200	0.12350	0.12840	0.12840	0.12840	0.12840	0.09509	0.08415	0.08016
Over 200000 kWh	0.08300	0.08300	0.11400	0.11890	0.11890	0.11890	0.11890	0.07009	0.05915	0.05516
Next 200 X KW	0.02700	0.02700	0.05700	0.06190	0.06190	0.06190	0.06190	0.06009	0.06009	0.05610
Next 200 X KW	0.02500	0.02500	0.05320	0.05810	0.05810	0.05810	0.05810	0.04654	0.04654	0.04253
Over 600 X KW	0.02400	0.02400	0.04940	0.05430	0.05430	0.05430	0.05430	0.03214	0.03214	0.02847
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	7.00000
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	0.11766
Next 7000 kWh	0.11500	0.11500	0.14000	0.14490	0.14490	0.14490	0.14490	0.11509	0.10415	0.10016
Next 190000 kWh	0.10200	0.10200	0.13000	0.13490	0.13490	0.13490	0.13490	0.09509	0.08415	0.08016
Over 200000 kWh	0.05300	0.05300	0.07500	0.07990	0.07990	0.07990	0.07990	0.07009	0.05915	0.05516
Next 200 X KW	0.03500	0.03500	0.06000	0.06490	0.06490	0.06490	0.06490	0.06009	0.06009	0.05610
Next 200 X KW	0.03100	0.03100	0.05600	0.06090	0.06090	0.06090	0.06090	0.04654	0.04654	0.04253
Over 600 X KW	0.02700	0.02700	0.05200	0.05690	0.05690	0.05690	0.05690	0.03214	0.03214	0.02847
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>2011</i>	<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>
Inside city:										
Minimum charge	\$ 10.30	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.70
All CCF	-	-	-	-	-	-	-	-	-	-
0 - 6 CCF	2.37000	2.37000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	2.58000	2.58000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000
Over 12 CCF	2.58000	2.58000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Outside city:										
Minimum charge	\$ 10.30	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.30	\$ 12.70
All CCF	-	-	-	-	-	-	-	-	-	-
0 - 6 CCF	2.37000	2.37000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	2.58000	2.58000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000	3.39000
Over 12 CCF	2.58000	2.58000	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>2011</u>	<u>2012</u>	<u>2013^{2, 4}</u>	<u>2014</u>	<u>2015</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 10.300	\$ 10.300	\$ 12.300	\$ 12.300	\$ 12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	3.610	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.020	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	4.020	5.200	5.200	5.200
Outside city:					
Capacity charge	10.300	10.300	12.300	12.300	12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	3.610	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.020	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	4.020	5.200	5.200	5.200
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 12.300	\$ 12.300	\$ 12.300	\$ 12.300	\$ 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	12.300	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
2011	3,101	-1.6%	4,738	-1.4%	4,577	-0.9%	3,037	-1.4%	15,453	-1.3%
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%

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 2011 & 2020

Fiscal Year 2011					Fiscal Year 2020				
Rank	Customer	Consumption Cubic Feet	Amount ²	Dollar %	Customer	Consumption Cubic Feet	Amount ²	Dollar %	
1	Blue Bird Body Company	87,564,000	\$ 529,974	12.8%	Blue Bird Body Co-402A N Blue Bi	168,657,000	\$ 823,804	21.0%	
2	Fort Valley State University #2	30,011,000	318,322	7.7%	Southern Flavor Farms	123,214,000	595,462	15.2%	
3	Arriscraft International	31,655,000	196,691	4.7%	Atlanta Sand & Supply	46,818,000	235,752	6.0%	
4	Fort Valley State University #1	16,790,000	170,008	4.1%	Fort Valley State University #2	16,884,000	150,629	3.8%	
5	Atlanta Sand & Supply Company	22,976,000	143,651	3.5%	Arriscraft International	25,534,000	131,313	3.3%	
6	Peach Regional Medical Center	7,537,000	48,075	1.2%	Fort Valley State University-10 St	3,596,000	31,801	0.8%	
7	Peach County Schools	4,491,700	45,772	1.1%	Peach County Jail	3,128,500	28,664	0.7%	
8	Fort Valley Housing Authority	3,926,000	40,911	1.0%	Blue Bird Body Co	2,915,100	28,105	0.7%	
9	Lakeview Apartments	3,616,000	38,146	0.9%	Pch County BD of Educatioin	3,089,100	27,543	0.7%	
10	Peach County Jail	3,191,900	34,235	0.8%	Dalcor Mgt Inc	2,805,000	26,951	0.7%	
Total Ten Largest Customers		211,758,600	1,565,785	37.8%	Total Ten Largest Customers	396,640,700	2,080,022	53.1%	
All Other Customers		213,322,100	2,575,976	62.2%	All Other Customers	157,724,400	1,840,069	46.9%	
Total ²		425,080,700	\$ 4,141,761	100.0%	Total ²	554,365,100	\$ 3,920,091	100.0%	

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

Utility Commission
City of Fort Valley, Georgia
Ten Largest Customers - Electric Service ¹
Fiscal Years 2011 & 2020

Fiscal Year 2011					Fiscal Year 2020				
Rank	Customer	Consumption kWh	Amount ²	Dollar %	Customer	Consumption kWh	Amount ²	Dollar %	
1	Fort Valley State University #1	16,410,000	\$ 1,222,892	11.0%	Blue Bird Body Company-406 N Blue Bird B	22,761,549	\$ 1,628,946	12.0%	
2	Blue Bird Body Company #1	14,609,461	1,050,838	9.5%	Fort Valley State University	12,344,400	978,831	7.2%	
3	Metokote Corporation	2,574,539	237,068	2.1%	Southern Flavor Farms	20,251,267	787,913	5.8%	
4	Peach County High School	1,321,600	156,489	1.4%	Blue Bird Body Company - 402	2,289,651	195,250	1.4%	
5	J. H. Harvey Company	1,560,320	129,938	1.2%	PCH County BD of Education - 900D	1,062,800	125,025	0.9%	
6	Peach Regional Medical Center	1,391,520	123,848	1.1%	Food Depot	1,350,720	111,694	0.8%	
7	Peach County Schools BOE	994,720	116,940	1.1%	Jayeshkumar Patel	1,298,240	108,545	0.8%	
8	Food Depot	1,338,600	110,242	1.0%	PCH County BD of Education - Peggy	815,232	99,408	0.7%	
9	Lakeview Apartments	997,200	109,169	1.0%	Peach County Jail	1,145,280	99,146	0.7%	
10	Peach County Middle School (FV)	857,856	104,878	0.9%	PCH County Bd of Education-Hwy 341	834,400	94,835	0.7%	
Total Ten Largest Customers		42,055,816	3,362,302	30.3%	Total Ten Largest Customers	64,153,539	4,229,592	31.2%	
All Other Customers		84,615,831	7,725,384	69.7%	All Other Customers	75,599,914	9,319,738	68.8%	
Total ²		126,671,647	\$ 11,087,686	100.0%	Total ²	139,753,453	\$ 13,549,330	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 2011 & 2020

Fiscal Year 2011					Fiscal Year 2020			
Rank	Customer	Consumption Gallons	Amount ²	Dollar %	Customer	Consumption Gallons	Amount ²	Dollar %
1	Fort Valley State University #1	89,991,000	\$ 309,678	13.4%	Blue Bird Body Company	34,814,164	\$ 169,937	6.4%
2	Blue Bird Body Company	26,609,250	91,644	4.0%	Fort Valley State University	32,792,320	160,071	6.0%
3	Utility Commission WSLRF 2"	14,678,250	50,602	2.2%	Utility Commission 504 Vienna	13,845,480	67,616	2.5%
4	Indian Oaks Apartments LTD	8,725,500	30,124	1.3%	Indian Oaks Apts LTD	8,684,280	66,621	2.5%
5	Utility Commission WSLRF	8,357,250	28,857	1.2%	Dalcor MGT Inc - Master Meter	8,684,280	56,529	2.1%
6	Lakeview Apartments	7,116,750	24,590	1.1%	Utility Commission W/Water Office	10,964,932	53,560	2.0%
7	Fort Valley State University #2	7,072,500	24,438	1.1%	Utility Commission 504 Vienna	10,721,832	52,374	2.0%
8	Fort Valley State University #3	5,528,250	19,126	0.8%	College Square	5,152,224	34,100	1.3%
9	Peach County Schools	4,556,250	15,782	0.7%	Peach County Bd of Education 900B	5,078,920	24,838	0.9%
10	College Square Apartments	4,065,750	14,095	0.6%	Fyffe Construction	2,363,680	20,493	0.8%
Total Ten Largest Customers		176,700,750	608,935	26.3%	Total Ten Largest Customers	133,102,112	706,139	26.5%
All Other Customers		357,027,750	1,709,088	73.7%	All Other Customers	306,651,576	1,961,672	73.5%
Total ³		533,728,500	\$ 2,318,023	100.0%	Total ²	439,753,688	\$ 2,667,811	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 2011 & 2020

Fiscal Year 2011					Fiscal Year 2020				
Rank	Customer	Collection Gallons	Amount ²	Dollar %	Customer	Collection Gallons	Amount ²	Dollar %	
1	Fort Valley State University #1	69,847,500	\$ 374,477	21.1%	Blue Bird Body Company	34,814,164	\$ 217,854	10.0%	
2	Blue Bird Body Company	20,772,000	111,432	6.3%	Fort Valley State University #1	32,792,320	205,204	9.4%	
3	Indian Oaks Apartments LTD	6,980,250	37,508	2.1%	Indian Oaks Apts LTD	8,684,280	78,557	3.6%	
4	Lakeview Apartments	5,694,000	30,614	1.7%	Dalcor MGT INC	8,684,280	68,466	3.1%	
5	Fort Valley State University #3	4,196,250	22,586	1.3%	College Square	5,152,224	41,173	1.9%	
6	College Square Apartments	3,252,750	17,529	1.0%	Fyffe Construction Co	2,363,680	23,726	1.1%	
7	Fort Valley State University #4	2,852,250	15,382	0.9%	FV Student Housing LLC	2,924,680	23,677	1.1%	
8	Peach Regional Medical Center	2,768,250	14,932	0.8%	Westside Villas	2,410,056	21,642	1.0%	
9	Magnolia Terrace	2,076,000	11,228	0.6%	Magnolia Terrace I	2,267,188	21,490	1.0%	
10	OMI - Fort Valley, Georgia	2,066,854	11,078	0.6%	Southern Flavor Farms, LP	2,573,868	17,926	0.8%	
Total Ten Largest Customers		120,506,104	646,766	36.5%	Total Ten Largest Customers	102,666,740	719,715	33.0%	
All Other Customers		156,521,396	1,124,986	63.5%	All Other Customers	188,451,120	1,459,431	67.0%	
Total		277,027,500	\$ 1,771,752	100.0%	Total ²	291,117,860	2,179,146	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			
2011	\$ 3,476,560	\$ 15,892	\$ 3,492,452	0.004%	27,550	127
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

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
2011	\$ 20,230,399	\$ 18,173,220	\$ 2,057,179	\$ 254,527	\$ 71,283	\$ 325,810	6.31
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

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
2011	27,550	849,416	30,832	35.3	3898	7.9%	10.0%	9.0%
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%

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, 2011 and 2020

2011					2020				
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	1,061	1	10.00%	Blue Bird Body Company	Manufacturing	2,400	1	21.65%
Fort Valley State University	Education	1,038	2	9.78%	Fort Valley State University	Education	674	2	6.08%
Peach County Board of Education	Education	540	3	5.09%	Peach County Board of Education	Education	471	3	4.25%
Lane Southern Orchards	Agribusiness	200	4	1.89%	Lane Southern Orchards	Agribusiness	325	4	2.93%
Peach County Commission	Local Government	184	5	1.73%	CR Meyer	Engineering	200	5	1.80%
Peach Regional Medical Center	Medical	133	6	1.25%	Pure Flavor	Agribusiness	200	6	1.80%
City of Fort Valley	Local Government	130	7	1.23%	Medical Center of Peach County	Community Hospital	187	7	1.69%
Arriscraft International	Manufacturing	65	8	0.61%	Spherion Staffing	Staffing Agency	150	8	1.35%
The Wire Shop	Manufacturing	68	9	0.64%	HSM Solutions	Manufacturing	110	9	0.99%
Food Depot	Retail Sales	53	10	0.50%	Pyrotechnic Specialties	Manufacturing	109	10	0.98%
Total for Principal Employers		3,472		32.72%	Total for Principal Employers		4,826		43.54%
Total for Other Employers ³		7,139		67.28%	Total for Other Employers ³		6,258		56.46%
Total for All Employers		10,610		100.00%	Total for All Employers ⁴		11,084		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,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<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	5.0
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	1.0	2.0	2.0	3.0	3.0	3.0
Finance	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0
Customer service	3.0	3.0	4.0	4.0	4.0	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	4.0	3.0	4.0
Electric	6.0	6.0	6.0	6.0	7.0	7.0	5.0	5.0	6.0	5.0
Gas	6.0	6.0	6.0	6.0	6.0	6.0	5.0	4.0	4.0	5.0
Water	11.0	11.0	12.0	12.0	12.0	12.0	13.0	10.0	12.0	11.0
Sewer	8.0	8.0	8.0	8.0	8.0	7.0	8.0	9.0	9.0	9.0
Meter reading	5.0	5.0	5.0	5.0	5.0	3.0	4.0	4.0	4.0	4.0
Warehouse	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total	58.0	58.0	59.0	59.0	60.0	60.0	59.0	57.0	59.0	59.0
<i>Percentage Change From Prior Year</i>	1.7%	0.0%	1.7%	0.0%	1.7%	0.0%	-1.7%	-3.4%	3.5%	0.0%

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	3,984,390	4,179,512	4,179,512	4,179,512	4,179,512
Maximum daily capacity of available natural gas (summer cf)	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,864,390	1,864,390	1,864,390	1,864,390
Average daily consumption of available natural gas (cubic feet)	1,232,512	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
Average percent of capacity used	73.8%	60.3%	70.2%	77.6%	73.2%	74.0%	60.8%	78.1%	87.0%	84.9%
Winter peak demand day (cubic feet)	4,988,000	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
Electric Service:										
Coincident peak (kW)	29,279	27,115	25,614	22,784	24,422	26,204	25,204	22,638	27,714	25,588
Reserves (kW)	3,040	2,236	2,262	2,104	2,139	2,121	2,104	2,057	2,170	1,836
Total requirements (kW)	32,319	29,351	27,876	24,888	26,561	28,325	27,308	24,695	29,884	27,424
Southeastern Power Administration (kW)	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,185
MEAG projects 1, 2, 3 & 4 (kW)	21,488	21,488	22,170	22,170	22,763	22,763	22,820	23,111	23,111	23,216
MEAG combined cycle (kW)	3,865	3,865	3,825	3,825	3,819	3,798	3,766	3,739	3,739	3,783
Total resources (kW)	34,496	34,496	35,138	35,138	35,725	35,704	35,729	35,993	35,993	36,184
Excess capacity (deficit) (kW)	2,177	5,145	7,262	10,250	9,164	7,379	8,421	11,298	6,109	9,483
Percent reserve of capacity	25.9%	41.1%	57.8%	90.6%	74.0%	55.7%	65.5%	99.0%	44.6%	69.0%
Water Service:										
Daily average consumption	1,462,270	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
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>2011</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>
Natural Gas Service:										
Miles of natural gas mains	89	141	141	141	141	141	141	161	161	161
Peak shaving plant	1	1	1	-	-	-	-	-	-	-
Propane storage tanks (30,000 gallons)	8	8	8	-	-	-	-	-	-	-
Electric Service:										
Miles of line	142	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	3	4	4	4
3 megawatt generator	-	-	-	-	-	-	-	-	-	-
Water Service:										
Miles of water mains	157	152	152	152	152	152	152	152	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	67	72	72	72	72	72	72	72	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	10	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**

July 26, 2021

**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, 2020, 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 July 26, 2021.

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

*Utility Commission
City of Fort Valley, Georgia
Schedule of Findings
For the Year Ended September 30, 2020*

FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.