



**EAST
POINT**
GEORGIA

THE CITY OF EAST POINT

ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023



CITY OF EAST POINT, GEORGIA
Annual Financial Report
For the Fiscal Year Ended June 30, 2023

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Independent Auditors' Report

To the Honorable Mayor and Members of the City Council
City of East Point, Georgia

Report on the Audit of the Financial Statements

Opinions

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

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

We did not audit the financial statements of the East Point Employees Retirement Pension Plan, a blended component unit of the City, which, in the aggregate, represent 100% of the assets in the net position of the pension trust funds, within the fiduciary funds as of December 31, 2022. These financial statements were audited by other auditors whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for pension trust funds, is based solely of the reports of the other auditors.

Emphasis of a Matter

As described in Note 4-F, these financial statements have been restated. We audited the adjustments described in Note 4-F that were applied to restate the 2023 financial statements. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, (Pages 4 - 14) schedule of changes in net pension liability, schedule of contributions, schedule of changes in total OPEB liability, general fund - statement of revenues, expenditures and changes in fund balance - budget to actual, and major funds - schedules of revenues, expenditures, and changes in fund balances - budget to actual (Pages 67 - 73) 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules (Pages 74 - 94) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of special district mass transportation sales and use tax (Page 96) is presented for additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A") 48-8-269.5 and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



October 3, 2025

November 12, 2025, with respect to the Emphasis of a Matter paragraph on page 1, above

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Annual Financial Report (AFR) for City of East Point (the City), provides interested parties and the general public with a narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. Management prepared this discussion that should be read in conjunction with the basic financial statements, notes and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

FISCAL YEAR 2023 FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$196,547,201 (total net position) as of June 30, 2023.
- Total net positions are comprised of the following:
 - (1) Capital assets, net investments in capital assets, of \$135,968,521 includes property and equipment, net of accumulated depreciation, and reduction for outstanding debt related to the purchase or construction of capital assets.
 - (2) Restricted net position is \$71,490,953; restrictions include debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position is \$(10,912,273).
- The City's governmental funds reported total ending fund balance of \$74,060,378 at June 30, 2023. This compares to the prior fiscal year ending fund balance of \$67,474,188 showing an increase of \$6,586,190 during the current fiscal year. Unassigned fund balance for the General Fund was \$26,122,470 at June 30, 2023, a \$1,650,802 increase from the prior fiscal year amount at June 30, 2022.
- The City's governmental funds revenue totaled \$72,627,019, a increase of \$6,840,930 or 10%, during fiscal year 2023 compared to fiscal year 2022. This is comprised of increased revenue from property taxes, sales and use tax, hotel and motel taxes, and various grant revenue sources. Governmental funds expenditures totaled \$63,089,634, a \$13,102,604 or 26% increase, compared to fiscal year 2022.
- In the City's business-type activities, revenues increased by \$10,289,043 or 14% from the prior fiscal year. Expenses increased by \$8,723,067 or 13% from the prior year. These fluctuations are due to the City operating at full capacity in fiscal year 2023 as compared to the prior year when the impacts of the pandemic were still being felt.

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 City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior fiscal year.

Government-wide Financial Statements

The City's AFR includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current fiscal year. All current fiscal year revenues and expenditures are included regardless of when received or paid.

An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, community development, public safety, public works, parks, recreation and culture, planning and community development and health and welfare. Business-type activities include the water and sewer system, the electric system, storm water, and solid waste activities.

The government-wide financial statements are presented on pages 15 - 17 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The City has three categories of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as four enterprise funds and a single internal service fund. The enterprise fund essentially encompasses the same function reported as business-type activities in the government-wide statements. The internal service fund is reported as part of the business-type activities at the government-wide financial reporting level.

The basic proprietary fund financial statements are presented on pages 22 - 26 of this report.

Fiduciary funds (i.e., the agency funds) are reported in the fiduciary fund financial statements but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. The City's pension plan (a pension trust fund) and collections of municipal court fees (a custodial fund) are reported as fiduciary funds.

The fiduciary fund financial statements are presented on pages 27 - 28 of this report.

The discretely presented component units are reported on pages 29 - 30 of this report.

Notes to the Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 31 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 City's single employer pension plan, other postemployment benefits, and budgetary comparison schedules for major funds. The required supplementary information can be found on pages 67 - 73 of this report.

Supplementary Information

As discussed, the City reports major funds in the basic financial statements. Information for combining and individual statements and schedules for nonmajor funds, including budgetary comparison schedules are presented in a supplementary information section of this report beginning on page 74.

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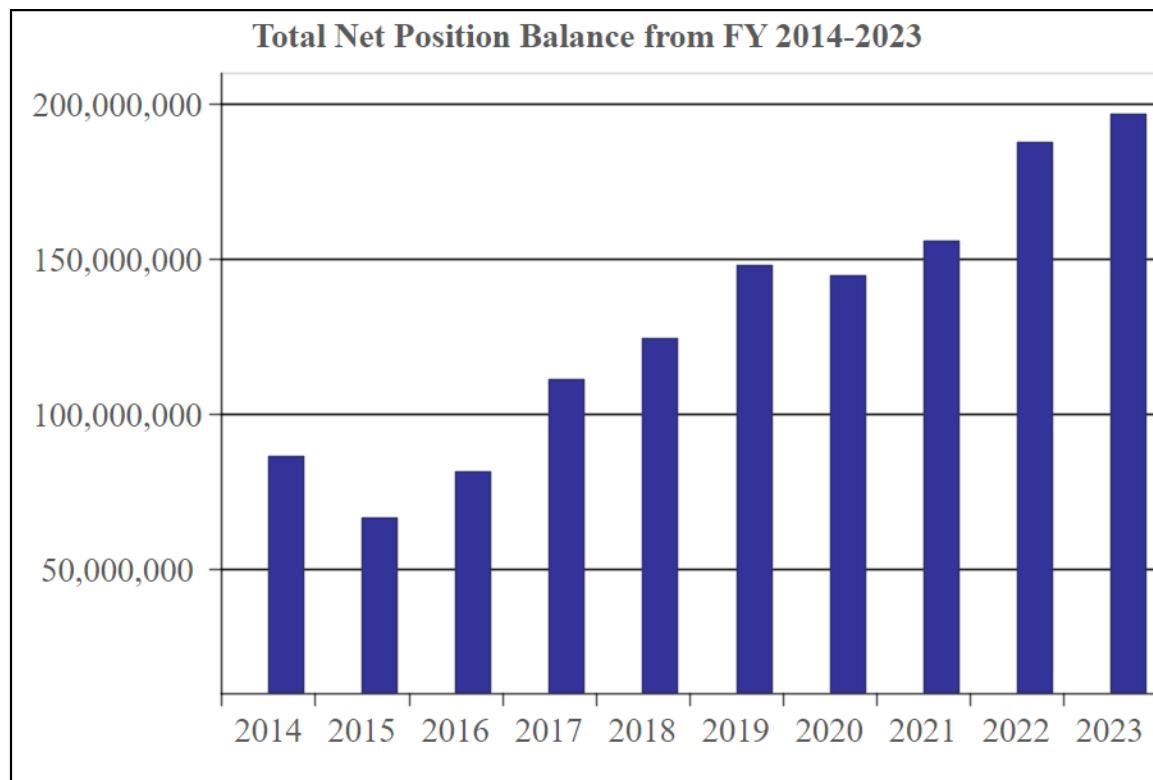
FINANCIAL ANALYSIS OF THE CITY

The City's net position at fiscal year end is \$196,547,201. The following table provides a summary of the City's net position:

	NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets	\$ 99,147,730	\$ 87,327,943	\$ 57,723,550	\$ 55,704,363	\$156,871,280	\$ 143,032,306
Noncurrent assets:						
Net pension asset	-	8,356,625	-	4,950,091	-	13,306,716
Capital assets	<u>107,076,949</u>	<u>105,766,731</u>	<u>72,192,605</u>	<u>79,030,546</u>	<u>179,269,554</u>	<u>184,797,277</u>
Total assets	<u>206,224,679</u>	<u>201,451,299</u>	<u>129,916,155</u>	<u>139,685,000</u>	<u>336,140,834</u>	<u>341,136,299</u>
Deferred outflow of resources	<u>14,052,008</u>	<u>10,243,891</u>	<u>5,591,984</u>	<u>3,797,482</u>	<u>19,643,992</u>	<u>14,041,373</u>
Total assets and deferred outflow of resources	<u>220,276,687</u>	<u>211,695,190</u>	<u>135,508,139</u>	<u>143,482,482</u>	<u>355,784,826</u>	<u>355,177,672</u>
Liabilities:						
Current liabilities	19,732,586	14,279,890	16,028,512	15,562,033	35,761,098	29,841,923
Long term liabilities	<u>41,649,025</u>	<u>43,715,270</u>	<u>52,379,586</u>	<u>54,787,058</u>	<u>94,028,611</u>	<u>98,502,328</u>
Total liabilities	<u>61,381,611</u>	<u>57,995,160</u>	<u>68,408,098</u>	<u>70,349,091</u>	<u>129,789,709</u>	<u>128,344,251</u>
Deferred inflow of resources	<u>20,037,882</u>	<u>26,401,442</u>	<u>9,410,034</u>	<u>12,824,118</u>	<u>29,447,916</u>	<u>39,225,560</u>
Total liabilities and deferred inflow of resources	<u>81,419,493</u>	<u>84,396,602</u>	<u>77,818,132</u>	<u>83,173,209</u>	<u>159,237,625</u>	<u>167,569,811</u>
Net position:						
Net investment in capital assets	94,698,650	91,972,193	41,269,871	46,682,110	135,968,521	138,654,303
Restricted	<u>48,796,648</u>	<u>42,024,913</u>	<u>22,694,305</u>	<u>19,801,255</u>	<u>71,490,953</u>	<u>61,826,168</u>
Unrestricted	<u>(4,638,104)</u>	<u>(6,765,324)</u>	<u>(6,274,169)</u>	<u>(6,174,092)</u>	<u>(10,912,273)</u>	<u>(12,939,416)</u>
Total net position	<u>\$ 138,857,194</u>	<u>\$ 127,231,782</u>	<u>\$ 57,690,007</u>	<u>\$ 60,309,273</u>	<u>\$196,547,201</u>	<u>\$ 187,541,055</u>

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The following chart reports the City's total net position balances from fiscal year 2014-2023.



<u>Fiscal Year</u>	<u>Net Position</u>
2023	\$196,547,201
2022	\$187,541,055
2021	\$155,755,623
2020	\$144,558,906
2019	\$147,948,292
2018	\$124,344,515
2017	\$110,993,467
2016	\$81,542,726
2015	\$66,547,968
2014	\$86,530,340

Current assets increased in governmental activities and increased in business-type activities for the fiscal year ended June 30, 2023.

The City reported positive balances in net position for both governmental and business-type activities. During fiscal year 2023, net position increased \$11,742,109 for governmental activities and increased \$7,491,095 for business-type activities.

Capital assets represent approximately 52% of total assets for governmental activities. The City uses these capital assets to provide services to its citizens. Business-type capital assets make up approximately 56% of total business-type assets. The City uses these capital assets to provide services to its customers. Combining governmental activities with business type activities, the City has invested approximately 53% of its total assets in capital assets, as presented in the government-wide statement of net position.

The following table provides a summary of the City's changes in net position at June 30, 2023 and 2022:

SUMMARY OF CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program:						
Charges for services and fines	\$ 5,672,012	\$ 5,714,721	\$ 75,066,521	\$ 71,891,270	\$ 80,738,533	\$ 77,605,991
Operating grants	7,493,842	5,718,499	-	-	7,493,842	5,718,499
General:						
Property taxes	26,114,951	23,606,692	-	-	26,114,951	23,606,692
Sales taxes	21,790,002	21,527,788	-	-	21,790,002	21,527,788
Other taxes	10,266,616	9,231,392	4,548,238	218,720	14,814,854	9,450,112
Other	981,686	1,514,260	3,146,035	361,761	4,127,721	1,876,021
Total revenues	<u>72,319,109</u>	<u>67,313,352</u>	<u>82,760,794</u>	<u>72,471,751</u>	<u>155,079,903</u>	<u>139,785,103</u>
Program Expenses:						
General government	12,768,930	9,770,232	-	-	12,768,930	9,770,232
Judicial	1,000,461	785,640	-	-	1,000,461	785,640
Public safety	27,299,056	19,758,833	-	-	27,299,056	19,758,833
Public works	4,387,702	3,354,596	-	-	4,387,702	3,354,596
Culture and recreation	2,459,036	1,504,683	-	-	2,459,036	1,504,683
Economic and community development	9,146,411	2,643,833	-	-	9,146,411	2,643,833
Interest	564,208	617,220	-	91,227	564,208	708,447
Water & sewer	-	-	22,580,540	20,548,850	22,580,540	20,548,850
Electrical system	-	-	47,004,376	41,918,972	47,004,376	41,918,972
Storm water	-	-	1,420,244	1,553,124	1,420,244	1,553,124
Solid waste management	-	-	7,215,735	5,385,655	7,215,735	5,385,655
Total expenses	<u>57,625,804</u>	<u>38,435,037</u>	<u>78,220,895</u>	<u>69,497,828</u>	<u>135,846,699</u>	<u>107,932,865</u>
Revenues over expenses	14,693,305	28,878,315	4,539,899	2,973,923	19,233,204	31,852,238
Transfers in and (out)	<u>(2,951,196)</u>	<u>(1,323,577)</u>	<u>2,951,196</u>	<u>1,323,577</u>	<u>-</u>	<u>-</u>
Changes in net position	11,742,109	27,554,738	7,491,095	4,297,500	19,233,204	31,852,238
Net position - beginning of the fiscal year	<u>127,298,588</u>	<u>99,743,850</u>	<u>60,309,273</u>	<u>56,011,773</u>	<u>187,607,861</u>	<u>155,755,623</u>
Prior period adjustment	<u>(183,503)</u>	<u>-</u>	<u>(10,110,361)</u>	<u>-</u>	<u>(10,293,864)</u>	<u>-</u>
Net position - beginning of the fiscal year, restated	<u>127,115,085</u>	<u>99,743,850</u>	<u>50,198,912</u>	<u>56,011,773</u>	<u>177,313,997</u>	<u>155,755,623</u>
Net position - end of the fiscal year	<u>\$ 138,857,194</u>	<u>\$127,298,588</u>	<u>\$ 57,690,007</u>	<u>\$ 60,309,273</u>	<u>\$ 196,547,201</u>	<u>\$ 187,607,861</u>

Governmental Activity Revenues

The City is heavily reliant on both property and sales taxes to support governmental operations. In fiscal year 2023, property taxes provided 36% of the City's total governmental activities revenues as compared to 35% in fiscal year 2022. Sales and use taxes provided 30% of the City's total revenues compared to 32% in the fiscal year 2022.

Note that program revenues and operating grants covered 23% of governmental operating cost as compared to 30% in fiscal year 2022. Also, in fiscal year 2023, revenue and expenses from governmental activities represented 20% of the governmental activities revenue.

Governmental Activity Expenses

General government expenses increased approximately \$19,190,767 from prior year, primarily due to increases in capital outlay costs, TAD closure costs, public safety personnel, and public works infrastructure.

The following table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

GOVERNMENT ACTIVITIES

	Total Cost of Service		Percentage Change	Net of Service		Percentage Change
	2023	2022		2023	2022	
General government	\$ 12,768,930	\$ 9,770,232	30.7 %	\$ 5,410,000	\$ 9,487,516	(43.0)%
Judicial	1,000,461	785,640	27.3 %	348,044	208,012	67.3 %
Public safety	27,299,056	19,758,833	38.2 %	25,682,253	17,510,535	46.7 %
Public works	4,387,702	3,354,596	30.8 %	3,953,083	(2,207,396)	(279.1)%
Culture and recreation	2,459,036	1,504,683	63.4 %	2,254,501	1,432,986	57.3 %
Economic and community development	9,146,411	2,643,833	246.0 %	6,247,861	(47,056)	(13,377.5)%
Interest and fiscal charges	<u>564,208</u>	<u>617,220</u>	<u>(8.6)%</u>	<u>564,208</u>	<u>617,220</u>	<u>(8.6)%</u>
Total	<u><u>\$ 57,625,804</u></u>	<u><u>\$ 38,435,037</u></u>	<u><u>49.9 %</u></u>	<u><u>\$ 44,459,950</u></u>	<u><u>\$ 27,001,817</u></u>	<u><u>64.7 %</u></u>

Business-Type Activities

Overall Analysis – Charges for services and fines increased by \$3,175,251 or 4% in fiscal year 2023. Operating expenses increased by \$8,723,067 or 13% in the same fiscal year. In total, operating income decreased by \$7,513,822. The factors contributing to these results include:

- Increase in personal services \$ 408,207
- Increase in purchased services \$ 3,710,857
- Decrease in cost allocations \$ (1,031,020)
- Increase in material and supplies \$ 4,740,415
- Increase in wholesale electric \$ 876,605
- Decrease in sanitary sewers \$ (486,928)
- Decrease in depreciation expense \$ 780,247

After all cost allocations and net transfers, the change in net position for each utility was as follows:

- Water and sewage \$ 3,619,161
- Electric system \$ 2,674,279
- Storm water \$ 827,570
- Solid waste \$ 370,085

The following includes an analysis of the fiscal year 2023 financial activities for each utility.

Water and Sewerage Fund – Operating and non operating revenue increased by \$4,986,884 and operating expenses increased by \$2,124,148 from fiscal year 2022. In total, the change in net position is positive, \$3,619,161. The primary cause of these expense changes were increases in personnel costs, material and supplies cost, and depreciation expense. At fiscal year end, net position totaled \$7,533,155, an decrease from June 30, 2022 including prior period adjustment of \$(7,637,418) related to capital asset revaluation.

Electric Fund – Operating revenue increased by \$2,739,313 and operating expenses increased by \$5,090,019. The increase in revenue was the result of increases in power consumption. Personal services, purchased services, materials and supplies, wholesale cost of electricity, and depreciation expense increased by \$5 million from fiscal year 2022. These are the main factors resulting in increased operational expenses. At fiscal year end, the net position totaled \$40,305,520, an increase of \$1,439,719 from June 30, 2022 including a prior period adjustment of \$(1,234,560) related to capital asset revaluation.

Storm Water Fund – Storm water operating revenues decreased by \$215,805. Operating expenses decreased by \$125,829. At fiscal year end, net position totaled \$9,909,445 an increase of \$550,183 from June 30, 2022 including prior period adjustment of \$(277,387) related to capital asset revaluation.

Solid Waste Fund – Operating revenue decreased by \$21,940 and operating expenses increased by \$1,910,045. The major cause of the increase in the current fiscal year operating expenses is the increase in personal services, and purchased services expenses. At fiscal year end, net position totaled \$145,574 an decrease of \$387,224 from June 30, 2022 including prior period adjustment of \$(757,309) related to capital asset revaluation.

Proprietary Funds

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the City's enterprise funds.

FUND ANALYSIS

Governmental Funds

Governmental Funds are reported in the Fund Statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the fiscal year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$74,060,378 compared to a balance of \$67,474,188 at June 30, 2022. Of this fiscal year end total, \$26,122,470 is unassigned indicating availability for continuing City service delivery requirements.

Legally restricted fund balances include \$46,881,539 set aside for debt service, capital projects and public safety purposes. The total ending fund balances of governmental funds show an increase of \$6,586,190 over fiscal year 2022.

Major Governmental Funds

General Fund - The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The ending unassigned fund balance represents an equivalent of 53% of annual expenditures.

Total General Fund's Property and Local Option Sales taxes increased by \$4,312,096 or 12% from fiscal year 2022. 2023 tax revenues were \$40,069,958 compared to \$35,757,862 for fiscal year 2022.

In fiscal year 2023, the general fund recognized \$3,974,169 more in total revenues than from the prior year. The fiscal year 2023 general fund expenditures increased by \$12,127,569 when compared to fiscal year 2022 expenditures. The net change in fund balance was an increase of \$1,729,564 from fiscal year 2022.

- Public safety expenditures increased by \$7,076,443 due to more personnel, material and supplies, and capital outlay purchased.
- General government expenditures increased due to capital outlay cost and personnel cost.

T-SPLOST Fund - In fiscal year 2023, the T-SPLOST fund balance increased by \$4,012,663. This is attributed to total revenues of \$7,580,828 and total expenditures of \$3,568,165. The prior year's total revenues were \$7,589,073 and the related total expenditures were \$2,639,327. The total fund balance for fiscal year 2023 is \$20,576,593 compared to \$16,563,930 in fiscal year 2022.

Restricted Grants Fund - In fiscal year 2023, the Restricted Grant fund balance increased by \$6,257,959. This is attributed to total revenue of \$7,444,201 and total expenditures of \$1,186,242. The prior year's total revenues were \$5,561,992 and the related total expenditures were \$3,099,011. The total fund balance for fiscal year 2023 is \$7,216,307 compared to \$958,348 in fiscal year 2022.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original overall revenue budget for fiscal year 2023 was amended. Total actual revenues were \$45,515,283, \$700,094 more than budgeted amounts. The major revenue streams in the original budget are property and sales taxes which had a combined variances in the budget versus actual in the amount of \$1,427,973. Property values increased slightly resulting in increased property tax revenue. In total, the City realized approximately 102% of the projected revenue budget.

Actual expenditures were \$49,508,042 or approximately 105.6% of the budget. The main factors include the following:

- General government - Administrative expenditures were more than budget in the amount of \$1,485,435.
- Public safety - Police and fire expenditures were \$838,484 more than budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2023 and June 30, 2022 was \$94,698,650 and \$41,269,871 respectively. See Note 3-E for additional information about changes in capital assets during the fiscal year. See Note 4-H regarding the City's capital assets and net position at the beginning of the year being restated to properly record the governmental activities and business activities as a correction of a prior period error.

The following table provides a summary of capital asset activity:

CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total	
	2023	2022 Restated	2023	2022 Restated	2023	2022 Restated
Non-depreciable assets						
Land	\$ 7,176,361	\$ 7,250,515	\$ -	\$ -	\$ 7,176,361	\$ 7,250,515
Construction in progress	<u>3,394,227</u>	<u>14,489,325</u>	<u>158,419</u>	<u>2,189,147</u>	<u>3,552,646</u>	<u>16,678,472</u>
Total non-depreciable assets	<u>10,570,588</u>	<u>21,739,840</u>	<u>158,419</u>	<u>2,189,147</u>	<u>10,729,007</u>	<u>23,928,987</u>
Non-current depreciable assets:						
Building and improvements	42,292,266	43,361,378	148,122,158	138,019,718	190,414,424	181,381,096
Machinery, equipment, furniture and vehicles	18,646,636	46,849,409	27,513,433	24,281,142	46,160,069	71,130,551
Infrastructure	<u>90,608,166</u>	<u>77,427,983</u>	<u>-</u>	<u>-</u>	<u>90,608,166</u>	<u>77,427,983</u>
Total non-current depreciable assets	151,547,068	167,638,770	175,635,591	162,300,860	327,182,659	329,939,630
Less accumulated depreciation	<u>55,040,707</u>	<u>83,611,879</u>	<u>103,601,405</u>	<u>96,013,758</u>	<u>158,642,112</u>	<u>179,625,637</u>
Book value - non-current depreciable assets	<u>96,506,361</u>	<u>84,026,891</u>	<u>72,034,186</u>	<u>66,287,102</u>	<u>168,540,547</u>	<u>150,313,993</u>
Percentage depreciated	<u>36.3 %</u>	<u>49.9 %</u>	<u>59.0 %</u>	<u>59.2 %</u>	<u>48.5 %</u>	<u>54.4 %</u>

Long-term Debt

During fiscal year 2023, the City retired \$915,971 or 6% of outstanding debt for governmental activities and \$1,998,518 or 6% of outstanding debt for business-type activities.

The following table reports long-term debt balances at June 30, 2023 and 2022:

	OUTSTANDING BORROWING					
	Governmental Activities		Business Activities		Total	
	2023	2022	2023	2022	2023	2022
Building Authority Bonds	\$ 273,945	\$ 359,823	\$ 29,889,467	\$ 31,804,467	\$ 30,163,412	\$ 32,164,290
Tax Allocation Bonds	100,000	700,000	-	-	100,000	700,000
GA COPS Bond	13,207,966	13,357,464	-	-	13,207,966	13,357,464
Financed purchases	<u>438,505</u>	<u>519,100</u>	<u>368,278</u>	<u>451,796</u>	<u>806,783</u>	<u>970,896</u>
Total	<u><u>\$ 14,020,416</u></u>	<u><u>\$14,936,387</u></u>	<u><u>\$ 30,257,745</u></u>	<u><u>\$ 32,256,263</u></u>	<u><u>\$ 44,278,161</u></u>	<u><u>\$ 47,192,650</u></u>

The City paid off the Camp Creek tax allocation bond during the fiscal year. The City has the Corridor tax allocation bond remaining which will be paid off in 2040. The business-type activities Building Authority Bonds will be retired in 2035.

See Note 3-F for additional information about the City's long-term debt.

A SUMMARY OF ECONOMIC AND OTHER FINANCIAL OPERATING CONSIDERATIONS

The City is included in the Atlanta, Georgia Metropolitan area, with close proximity to Hartsfield-Jackson International airport. The City has an estimated 2020 population per the Census of 38,358. In addition, the City has 16,033 housing units with an average household size of 2.50. Median house value is \$177,500 and median household income is \$50,371. Unemployment is estimated at 5.1% and is declining.

The City is in Fulton County, which is the most urbanized county in the state of Georgia. Neighborhoods are continually being revitalized as is downtown East Point, which is geared toward mixed-use development. New businesses are being developed and existing businesses are relocating to the City. The City has created the Corridors Tax Anticipation District to encourage improvements to downtown.

The primary revenue streams for the City are property and sales taxes. This is a good revenue mix as property taxes are "inelastic" revenues, slow to adjust when there is a change in the economy. Sales taxes are "elastic", and adjust quickly to changes in the economy and are highly sensitive to fluctuations in the economy. The City is constantly monitoring economic conditions and positioning itself to make the necessary adjustments as the economy fluctuates.

Municipal Option Sales Tax (MOST)

Effective September 1, 2022, a one percent (1%) municipal sales and use tax is to be collected for retail sales and use taking place in the city limits of the City. The proceeds from the tax are used for funding the City's water and sewer system capital projects, operations, and maintenance costs. The MOST was approved by the City's residents on the May 24, 2022, special election for a period not to exceed four years and for the raising of not more than \$43,308,183.

Disputed Liabilities

The City is a plaintiff in action against Fulton County, Georgia alleging breach of contract and duties relative to agreements entered into by the parties for the construction, maintenance, operation and expansion of a sewage treatment plant intended to serve all parties. The City is currently pursuing settlement negotiations. However, the City has accrued this liability and reclassified this claim as a long-term liability to ensure the liability is properly reflected on the financial statements.

Governmental Accounting Standards Board (GASB) Statement No. 96

The City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription information technology arrangements as of July 1, 2022. Statement No. 96 establishes a single model for software subscriptions and requires reporting of certain software assets, liabilities, and deferred inflows that were previously not reported. The application of the statement did not have a significant impact of the City for the fiscal year ended June 30, 2023.

Financial Statement Preparation

The financial statements are usually prepared in a timely manner consistent with the reporting regulatory requirements of the state of Georgia. The delay of the preparation of the financial statements is a result of cyclical staffing changes in the finance department, City management, and governance of the City as well as the replacement of the City auditors over the last two years. As described in Note 4-F to the financial statements, the accompanying financial statements were restated shortly after their original issuance to correct some report drafting errors.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Finance Director, 2757 East Point Street, East Point, Georgia 30344.

BASIC FINANCIAL STATEMENTS

CITY OF EAST POINT, GEORGIA
STATEMENT OF NET POSITION
June 30, 2023

	Primary Government			Component Unit
	Government Activities	Business-type Activities	Total	
Assets and deferred outflows of resources				
Current assets				
Cash and cash equivalents	\$ 36,720,849	\$ 20,490,083	\$ 57,210,932	\$ 1,434,342
Restricted cash and cash equivalents	53,409,167	22,694,305	76,103,472	-
Receivables				
Accounts, net	204,037	10,787,036	10,991,073	-
Liens	-	1,052,554	1,052,554	-
Property taxes, net	5,101,478	-	5,101,478	-
Sales taxes	498,550	-	498,550	-
Intergovernmental	1,981,890	-	1,981,890	-
Component unit	<u>175,390</u>	<u>-</u>	<u>175,390</u>	<u>-</u>
Total receivables	7,961,345	11,839,590	19,800,935	-
Inventory	235,378	1,281,854	1,517,232	-
Prepaid items	<u>820,991</u>	<u>1,417,718</u>	<u>2,238,709</u>	<u>-</u>
Total current assets	<u>99,147,730</u>	<u>57,723,550</u>	<u>156,871,280</u>	<u>1,434,342</u>
Noncurrent assets				
Capital assets				
Nondepreciable				
Land	7,176,361	-	7,176,361	-
Construction in progress	3,394,227	158,419	3,552,646	-
Depreciable, net	<u>96,506,361</u>	<u>72,034,186</u>	<u>168,540,547</u>	<u>428,000</u>
Total noncurrent assets	<u>107,076,949</u>	<u>72,192,605</u>	<u>179,269,554</u>	<u>428,000</u>
Total assets	<u>206,224,679</u>	<u>129,916,155</u>	<u>336,140,834</u>	<u>1,862,342</u>
Deferred outflows of resources				
Difference in pension/OPEB investment earnings	14,052,008	5,591,984	19,643,992	-
Total deferred outflows of resources	<u>14,052,008</u>	<u>5,591,984</u>	<u>19,643,992</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 220,276,687</u>	<u>\$ 135,508,139</u>	<u>\$ 355,784,826</u>	<u>\$ 1,862,342</u>

CITY OF EAST POINT, GEORGIA
STATEMENT OF NET POSITION
June 30, 2023

	Primary Government			Component Units	
	Government Activities	Business-Type Activities	Total		
Liabilities and deferred inflow of resources					
Current liabilities					
Accounts payable	\$ 5,495,298	\$ 8,638,480	\$ 14,133,778	\$ -	
Contracts retainage payable	169,088	149,434	318,522	-	
Accrued expenses	4,980,257	994,176	5,974,433	-	
Customer deposits	14,882	3,156,007	3,170,889	-	
Due to primary government	-	-	-	175,390	
Unearned revenue	5,496,461	-	5,496,461	-	
Financed purchases payable	82,876	75,940	158,816	-	
Worker's compensation payable	298,966	-	298,966	-	
Bonds payable	243,039	1,695,000	1,938,039	-	
Compensated absences payable	-	336,920	336,920	-	
Claims payable	-	467,000	467,000	-	
Total current liabilities	<u>16,780,867</u>	<u>15,512,957</u>	<u>32,293,824</u>	<u>175,390</u>	
Current liabilities payable from restricted assets					
Accrued interest payable	237,360	515,555	752,915	-	
Capital projects	2,714,359	-	2,714,359	-	
Total current liabilities payable from restricted assets	<u>2,951,719</u>	<u>515,555</u>	<u>3,467,274</u>	<u>-</u>	
Total current liabilities and payable from restricted assets					
	<u>19,732,586</u>	<u>16,028,512</u>	<u>35,761,098</u>	<u>175,390</u>	
Long-term liabilities (net of current portion)					
Compensated absences payable	1,824,182	-	1,824,182	-	
Contract claim payable	-	13,578,729	13,578,729	-	
Worker's compensation payable	538,807	-	538,807	-	
Other post employment benefits payable	16,156,715	7,189,480	23,346,195	-	
Net pension liability	9,434,820	3,124,572	12,559,392	-	
Financed purchases payable	355,629	292,338	647,967	-	
Bonds payable	13,338,872	28,194,467	41,533,339	-	
Total long-term liabilities	<u>41,649,025</u>	<u>52,379,586</u>	<u>94,028,611</u>	<u>-</u>	
Total liabilities	<u>61,381,611</u>	<u>68,408,098</u>	<u>129,789,709</u>	<u>175,390</u>	
Deferred inflow of resources	<u>20,037,882</u>	<u>9,410,034</u>	<u>29,447,916</u>	<u>-</u>	
Total liabilities and deferred inflow of resources	<u>81,419,493</u>	<u>77,818,132</u>	<u>159,237,625</u>	<u>175,390</u>	
Net position					
Net investment in capital assets	94,698,650	41,269,871	135,968,521	-	
Restricted for:					
Debt service	866,818	-	866,818	-	
Public safety	5,092,395	-	5,092,395	-	
Capital projects	40,922,326	22,694,305	63,616,631	-	
Tourism	1,915,109	-	1,915,109	-	
Unrestricted	(4,638,104)	(6,274,169)	(10,912,273)	1,686,952	
Total net position	<u>\$138,857,194</u>	<u>\$ 57,690,007</u>	<u>\$ 196,547,201</u>	<u>\$ 1,686,952</u>	

CITY OF EAST POINT, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2023

Function/program	Expenses	Net (expenses) revenues and changes in net position						Component unit	
		Program revenues		Primary government					
		Charges for services and fines	Operating grants and contributions	Governmental activities	Business-type activities	Total			
Primary government									
Government activities									
General government	\$ 12,768,930	\$ 567,795	\$ 6,791,135	\$ (5,410,000)	\$ -	\$ (5,410,000)	\$ -		
Judicial	1,000,461	652,417	-	(348,044)	-	(348,044)	-		
Public safety	27,299,056	1,596,347	20,456	(25,682,253)	-	(25,682,253)	-		
Public works	4,387,702	-	434,619	(3,953,083)	-	(3,953,083)	-		
Culture and recreation	2,459,036	57,972	146,563	(2,254,501)	-	(2,254,501)	-		
Economic and community development	9,146,411	2,797,481	101,069	(6,247,861)	-	(6,247,861)	-		
Interest and fiscal charges	564,208	-	-	(564,208)	-	(564,208)	-		
Total governmental activities	57,625,804	5,672,012	7,493,842	(44,459,950)	-	(44,459,950)	-		
Business-type activities									
Water and sewer	22,580,540	21,830,945	-	-	(749,595)	(749,595)	-		
Electric system	47,004,376	46,618,498	-	-	(385,878)	(385,878)	-		
Storm water	1,420,244	2,247,814	-	-	827,570	827,570	-		
Solid waste	7,215,735	4,369,264	-	-	(2,846,471)	(2,846,471)	-		
Total business-type activities	78,220,895	75,066,521	-	-	(3,154,374)	(3,154,374)	-		
Total primary government	\$ 135,846,699	\$ 80,738,533	\$ 7,493,842	(44,459,950)	(3,154,374)	(47,614,324)	-		
Component units	40,566	-	1,019,098					978,532	
General revenues									
Property taxes levied for general government purposes			20,983,066	-	20,983,066	-			
Property taxes levied for debt services			5,131,885	-	5,131,885	-			
Transportation and local option sales taxes			21,790,002	4,368,756	26,158,758	-			
Franchise taxes			856,610	179,482	1,036,092	-			
Insurance premium taxes			3,125,378	-	3,125,378	-			
Alcoholic beverage taxes			688,336	-	688,336	-			
Hotel/motel taxes			5,596,291	-	5,596,291	-			
Unrestricted investment earnings			222,276	2,893,049	3,115,325	-			
Miscellaneous			759,410	252,986	1,012,396	-			
Total general revenues		59,153,254	7,694,273		66,847,527	-			
Transfers in (out)		(2,951,195)	2,951,196		1	-			
Change in net position			11,742,109	7,491,095	19,233,204	978,532			
Net position, beginning of the fiscal year			127,298,588	60,309,273	187,607,861	708,420			
Prior period adjustment			(183,503)	(10,110,361)	(10,293,864)	-			
Net position, beginning of the fiscal year, restated			127,115,085	50,198,912	177,313,997	708,420			
Net position, end of the fiscal year			\$ 138,857,194	\$ 57,690,007	\$ 196,547,201	\$ 1,686,952			

See Accompanying Notes to the Financial Statements.

CITY OF EAST POINT, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2023

	General	T-SPLOST	Restricted Grants	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 34,917,655	\$ -	\$ -	\$ 1,803,194	\$ 36,720,849
Restricted cash	-	22,205,007	12,525,868	18,678,292	53,409,167
Receivables:					
Accounts, net	78,879	-	125,158	498,550	702,587
Property taxes, net	4,973,606	-	-	127,872	5,101,478
Intergovernmental	1,130,441	648,617	-	202,832	1,981,890
Component units	175,390	-	-	-	175,390
Interfund	529,289	-	-	-	529,289
Inventory	235,378	-	-	-	235,378
Prepaid items	820,991	-	-	-	820,991
Total assets	\$ 42,861,629	\$ 22,853,624	\$ 12,651,026	\$ 21,310,740	\$ 99,677,019
Liabilities, deferred inflow of resources and fund balances					
Liabilities					
Accounts payable	\$ 4,512,104	\$ 2,107,943	\$ 55,199	\$ 1,534,411	\$ 8,209,657
Accrued expenditures payable	4,953,679	-	-	26,578	4,980,257
Contract retainage payable	-	169,088	-	-	169,088
Interfund payable	-	-	-	529,289	529,289
Accrued interest payable	-	-	-	14,882	14,882
Unearned revenue	-	-	5,379,520	116,941	5,496,461
Total liabilities	9,465,783	2,277,031	5,434,719	2,222,101	19,399,634
Deferred inflow of resources	6,217,007	-	-	-	6,217,007
Total liabilities and deferred inflow of resources	15,682,790	2,277,031	5,434,719	2,222,101	25,616,641
Fund balances					
Nonspendable	1,056,369	-	-	-	1,056,369
Restricted	-	20,576,593	7,216,307	19,088,639	46,881,539
Unassigned	26,122,470	-	-	-	26,122,470
Total fund balances	27,178,839	20,576,593	7,216,307	19,088,639	74,060,378
Total liabilities, deferred inflow of resources and fund balances	\$ 42,861,629	\$ 22,853,624	\$ 12,651,026	\$ 21,310,740	\$ 99,677,019

CITY OF EAST POINT, GEORGIA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION
June 30, 2023

Total governmental funds balances \$ 74,060,378

Amount reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds:

Cost of capital assets	\$ 162,117,656	107,076,949
Less accumulated depreciation	<u>(55,040,707)</u>	

Other long-term assets in the statements of activities that do not provide current financial resources and are reported as inflows of resources in the governmental funds:

Property taxes	6,217,007	6,217,007
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the pension and other postretirement employee benefits (OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position:

Deferred outflows of resources - pension related	12,241,876	14,052,008
Deferred outflows of resources - OPEB related	<u>1,810,132</u>	

Deferred inflows of resources - pension related	(5,824,798)	(20,037,882)
Deferred inflows of resources - OPEB related	<u>(14,213,084)</u>	

Accrued interest not due and payable in the current period is not reported in the governmental fund balance sheets but is reported on the government-wide statement of net position.

(237,360)

Liabilities not due and payable in the current period are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position:

Bonds payable	(12,753,945)	(41,445,940)
Financed purchases payable	<u>(438,505)</u>	
Workers' compensation payable	<u>(837,773)</u>	
Other post employment benefits payable	<u>(16,156,715)</u>	
Compensated absences payable	<u>(1,824,182)</u>	
Pension liability	<u>(9,434,820)</u>	

The governmental funds report the effect of premiums, discounts, refundings and similar items when debt is first issued. These amounts are deferred and amortized in the government-wide statement of activities:

Premium on limited obligation bonds	<u>(827,966)</u>	(827,966)
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Net position of governmental activities \$ 138,857,194

CITY OF EAST POINT, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2023

	General	T-SPOST	Restricted Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 40,069,957	\$ 7,580,828	\$ -	\$ 10,828,453	\$ 58,479,238
Intergovernmental	-	-	7,444,201	49,641	7,493,842
Licenses and permits	3,231,258	-	-	-	3,231,258
Charges for services	805,498	-	-	979,411	1,784,909
Fines and forfeitures	652,417	-	-	3,669	656,086
Investment earnings	17,383	-	-	204,893	222,276
Miscellaneous	<u>738,770</u>	<u>-</u>	<u>-</u>	<u>20,640</u>	<u>759,410</u>
Total revenues	<u>45,515,283</u>	<u>7,580,828</u>	<u>7,444,201</u>	<u>12,086,707</u>	<u>72,627,019</u>
Expenditures					
Current					
General government	8,394,759	-	464,834	3,163,928	12,023,521
Judicial	1,108,898	-	-	-	1,108,898
Public safety	26,339,697	-	-	1,590,066	27,929,763
Public works	2,152,238	-	345,971	-	2,498,209
Culture and recreation	2,105,466	-	267,218	-	2,372,684
Economic and community development	9,225,821	-	108,219	-	9,334,040
Capital outlay	-	3,568,165	-	2,776,928	6,345,093
Debt service					
Principal retirement	166,773	-	-	715,000	881,773
Interest and fiscal charges	<u>14,390</u>	<u>-</u>	<u>-</u>	<u>581,263</u>	<u>595,653</u>
Total expenditures	<u>49,508,042</u>	<u>3,568,165</u>	<u>1,186,242</u>	<u>8,827,185</u>	<u>63,089,634</u>
Excess (deficiency) of revenues (under) expenditures	<u>(3,992,759)</u>	<u>4,012,663</u>	<u>6,257,959</u>	<u>3,259,522</u>	<u>9,537,385</u>
Other financing sources (uses)					
Transfers in	13,067,314	-	-	6,508,565	19,575,879
Transfer out	(7,344,991)	-	-	(15,182,083)	(22,527,074)
Total other financing sources (uses)	<u>5,722,323</u>	<u>-</u>	<u>-</u>	<u>(8,673,518)</u>	<u>(2,951,195)</u>
Net change in fund balances	1,729,564	4,012,663	6,257,959	(5,413,996)	6,586,190
Fund balances, beginning of fiscal year	<u>25,449,275</u>	<u>16,563,930</u>	<u>958,348</u>	<u>24,502,635</u>	<u>67,474,188</u>
Fund balances, end of fiscal year	<u>\$ 27,178,839</u>	<u>\$ 20,576,593</u>	<u>\$ 7,216,307</u>	<u>\$ 19,088,639</u>	<u>\$ 74,060,378</u>

CITY OF EAST POINT, GEORGIA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2023

Net changes in fund balances - total governmental funds \$ 6,586,190

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

Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlays exceeded depreciation expense and loss on the disposal of capital assets in the current period:

Capital outlays	\$ 6,726,518	
Depreciation expense	(5,232,797)	1,493,721

Property taxes in the statement of activities that do not provide current financial resources are not reported as revenues but as deferred inflows of resources in the governmental funds:

Deferred inflows of resources at June 30, 2023	6,217,007	
Deferred inflows of resources at June 30, 2022	<u>(6,524,441)</u>	(307,434)

The issuance of long-term debt provides current financial resources to the governmental funds. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect on the differences in treatment of long-term debt:

Principal payments on bonds	800,878	
Payment finance purchase obligation	80,595	
Payment of premium	<u>34,498</u>	915,971

Some expenses and other items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Accrued interest payable at June 30, 2023	(237,360)	
Accrued interest payable at June 30, 2022	234,607	
Compensated absences payable at June 30, 2023	(1,824,182)	
Compensated absences payable at June 30, 2022	<u>2,271,709</u>	
Workers compensation payable at June 30, 2023	(837,773)	
Workers compensation payable at June 30, 2022	-	
OPEB payable at June 30, 2023	(16,156,715)	
OPEB payable at June 30, 2022	<u>27,223,145</u>	
Net pension liability at June 30, 2023	(9,434,820)	
Net pension asset at June 30, 2022	<u>(8,356,625)</u>	(7,118,014)

Pension and OPEB related items reported in the statement of activities that do not require the use of current resources in the governmental funds:

Deferred outflows of resources - pension related at June 30, 2023	12,241,876	
Deferred outflows of resources - pension related at June 30, 2022	(7,066,807)	
Deferred outflows of resources - OPEB related at June 30, 2023	1,810,132	
Deferred outflows of resources - OPEB related at June 30, 2022	(3,177,084)	
Deferred inflows of resources - pension related at June 30, 2023	(5,824,798)	
Deferred inflows of resources - pension related at June 30, 2022	<u>21,116,933</u>	
Deferred inflows of resources - OPEB related at June 30, 2023	(14,213,084)	
Deferred inflows of resources - OPEB related at June 30, 2022	<u>5,284,507</u>	<u>10,171,675</u>

Change in net position of governmental activities \$ 11,742,109

CITY OF EAST POINT, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2023

Business-type Activities
Enterprise Funds

	Business-type Activities				Business-type Activity
	Major Funds			Total	
	Water & Sewerage System	Electric System	Nonmajor Funds		
Assets and deferred outflows of resources					
Current assets					
Cash and cash equivalents	\$ 6,678,151	\$ 5,233,516	\$ 8,578,416	\$ 20,490,083	\$ -
Restricted cash and cash equivalents	50,384	22,643,921	-	22,694,305	-
Accounts receivable	3,539,501	5,743,761	1,483,751	10,767,013	-
Accrued revenues	-	-	20,023	20,023	-
Liens	1,052,554	-	-	1,052,554	-
Inventory	214,594	1,067,260	-	1,281,854	-
Prepaid items	<u>328,396</u>	<u>268,331</u>	<u>445,681</u>	<u>1,042,408</u>	<u>375,310</u>
Total current assets	<u>11,863,580</u>	<u>34,956,789</u>	<u>10,527,871</u>	<u>57,348,240</u>	<u>375,310</u>
Noncurrent assets					
Capital assets					
Non depreciable	158,419	-	-	158,419	-
Depreciable, net	<u>51,799,058</u>	<u>15,421,768</u>	<u>4,216,471</u>	<u>71,437,297</u>	<u>596,889</u>
Total noncurrent assets	<u>51,957,477</u>	<u>15,421,768</u>	<u>4,216,471</u>	<u>71,595,716</u>	<u>596,889</u>
Total assets	<u>63,821,057</u>	<u>50,378,557</u>	<u>14,744,342</u>	<u>128,943,956</u>	<u>972,199</u>
Deferred outflows of resources					
Difference in pension and OPEB investment earnings	2,508,497	2,031,030	1,052,457	5,591,984	-
Total deferred outflow of resources	<u>2,508,497</u>	<u>2,031,030</u>	<u>1,052,457</u>	<u>5,591,984</u>	<u>-</u>
Total assets and deferred outflow of resources	<u>\$ 66,329,554</u>	<u>\$ 52,409,587</u>	<u>\$ 15,796,799</u>	<u>\$ 134,535,940</u>	<u>\$ 972,199</u>

CITY OF EAST POINT, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2023

	Business-type Activities- Enterprise Funds				Business- type Activity			
	Major Funds			Total				
	Water & Sewerage System	Electric System	Nonmajor Funds					
Liabilities and deferred inflow of resources								
Current liabilities								
Accounts payable	\$ 3,247,178	\$ 3,539,599	\$ 764,603	\$ 7,551,380	\$ 1,087,100			
Contracts retainage payable	149,434	-	-	149,434	-			
Accrued expenses	708,850	149,706	95,478	954,034	40,142			
Customer deposits	1,117,794	2,038,213	-	3,156,007	-			
Compensated absences	63,862	151,158	73,256	288,276	48,644			
Revenue bonds payable	1,695,000	-	-	1,695,000	-			
Finance purchases	-	-	75,940	75,940	-			
Claims payable	-	-	467,000	467,000	-			
Total current liabilities	<u>6,982,118</u>	<u>5,878,676</u>	<u>1,476,277</u>	<u>14,337,071</u>	<u>1,175,886</u>			
Current liabilities payable from restricted assets								
Accrued interest payable	515,555	-	-	515,555	-			
Total current liabilities	<u>7,497,673</u>	<u>5,878,676</u>	<u>1,476,277</u>	<u>14,852,626</u>	<u>1,175,886</u>			
Long-term liabilities (net of current portion)								
Contract claim payable	13,578,729	-	-	13,578,729	-			
Other post employment benefits payable	3,365,652	2,242,359	1,581,469	7,189,480	-			
Net pension liability	1,545,412	896,460	682,700	3,124,572	-			
Revenue bonds payable	28,194,467	-	-	28,194,467	-			
Finance purchases	-	-	292,338	292,338	-			
Total long-term liabilities	<u>46,684,260</u>	<u>3,138,819</u>	<u>2,556,507</u>	<u>52,379,586</u>	<u>-</u>			
Total liabilities	<u>54,181,933</u>	<u>9,017,495</u>	<u>4,032,784</u>	<u>67,232,212</u>	<u>1,175,886</u>			
Deferred inflows of resources								
Difference in pension and OPEB investment earnings and refunding of debt	4,614,466	3,086,572	1,708,996	9,410,034	-			
Total deferred inflows of resources	<u>4,614,466</u>	<u>3,086,572</u>	<u>1,708,996</u>	<u>9,410,034</u>	<u>-</u>			
Total liabilities and deferred inflow of resources	<u>58,796,399</u>	<u>12,104,067</u>	<u>5,741,780</u>	<u>76,642,246</u>	<u>1,175,886</u>			
Net position								
Net investment in capital assets	21,403,021	15,421,768	3,848,193	40,672,982	596,889			
Restricted	50,384	22,643,921	-	22,694,305	-			
Unrestricted	<u>(13,920,250)</u>	<u>2,239,831</u>	<u>6,206,826</u>	<u>(5,473,593)</u>	<u>(800,576)</u>			
Total net position	<u>\$ 7,533,155</u>	<u>\$ 40,305,520</u>	<u>\$ 10,055,019</u>	<u>\$ 57,893,694</u>	<u>\$ (203,687)</u>			
Adjustment to reflect the consolidation of internal service fund activities related to proprietary funds								
Net position of business-type activities								
				<u>\$ 57,690,007</u>				

CITY OF EAST POINT, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION/EQUITY
For the fiscal year ended June 30, 2023

	Business-Type Activities Enterprise Funds				Business- Type Activity	
	Major Funds			Total		
	Water & Sewerage System	Electric System	Nonmajor Funds			
Operating revenues						
Charges for services, net	\$ 21,830,945	\$ 46,618,498	\$ 6,617,078	\$ 75,066,521	\$ 6,909,528	
Taxes	-	-	179,482	179,482	-	
Miscellaneous	-	252,986	-	252,986	-	
Total operating revenues	21,830,945	46,871,484	6,796,560	75,498,989	6,909,528	
Operating expenses						
Personal services	3,407,231	2,967,320	1,959,483	8,334,034	1,714,273	
Purchased services	2,835,221	1,790,675	3,518,486	8,144,382	4,057,779	
Cost allocations	6,588,424	5,594,601	2,356,064	14,539,089	-	
Materials and supplies	1,728,112	3,983,102	30,023	5,741,237	1,080,709	
Wholesale electric	-	31,152,584	-	31,152,584	-	
Sanitary sewers	1,789,040	-	-	1,789,040	-	
Depreciation	5,315,697	1,516,094	699,170	7,530,961	56,767	
Total operating expenses	21,663,725	47,004,376	8,563,226	77,231,327	6,909,528	
Operating income (loss)	167,220	(132,892)	(1,766,666)	(1,732,338)	-	
Nonoperating revenue (expenses)						
Municipal Option Sales Tax revenue	4,368,756	-	-	4,368,756	-	
Investment earnings	-	2,893,049	-	2,893,049	-	
Interest expense	(916,815)	-	(72,753)	(989,568)	-	
Loss on sale of assets	-	-	-	-	-	
Total nonoperating revenue (expenses)	3,451,941	2,893,049	(72,753)	6,272,237	-	
Income (loss) before transfers in (out)	3,619,161	2,760,157	(1,839,419)	4,539,899	-	
Transfers - in (out)	-	(85,878)	3,037,074	2,951,196	-	
Changes in fund net position/equity	3,619,161	2,674,279	1,197,655	7,491,095	-	
Fund net position/equity, beginning of fiscal year	11,551,412	38,865,801	9,892,060	60,309,273	-	
Prior period adjustment	(7,637,418)	(1,234,560)	(1,034,696)	(9,906,674)	(203,687)	
Fund net position/equity, beginning of fiscal year, restated	3,913,994	37,631,241	8,857,364	50,402,599	(203,687)	
Fund net position/equity, end of fiscal year	\$ 7,533,155	\$ 40,305,520	\$ 10,055,019	\$ 57,893,694	\$ (203,687)	

CITY OF EAST POINT, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2023

	Business-Type Activities Enterprise Fund				Business- Type Activities	
	Major Funds					
	Water & Sewerage System	Electric System	Nonmajor Funds	Total		
Cash flows from operating activities						
Cash received from customers	\$ 23,585,575	\$ 46,871,151	\$ 6,887,539	\$ 77,344,265	\$ 6,870,839	
Cash payments for personnel services	(4,084,802)	(3,606,048)	(2,279,144)	(9,969,994)	(1,681,448)	
Cash payments to suppliers for goods and services	(2,948,669)	(39,379,021)	(3,207,407)	(45,535,097)	(4,659,408)	
Cash payments for interfund services	<u>(6,588,424)</u>	<u>(5,594,601)</u>	<u>(2,356,064)</u>	<u>(14,539,089)</u>	-	
Net cash provided by (used in) operating activities	<u>9,963,680</u>	<u>(1,708,519)</u>	<u>(955,076)</u>	<u>7,300,085</u>	<u>529,983</u>	
Cash flows from noncapital financing activities						
Increase (decrease) in interfund loan payable	(133,710)	(1,185,010)	-	(1,318,720)	-	
Transfer in (out)	-	(85,878)	3,037,074	2,951,196	-	
Net cash provided by (used in) noncapital financing activities	<u>(133,710)</u>	<u>(1,270,888)</u>	<u>3,037,074</u>	<u>1,632,476</u>	-	
Cash flows from capital and related financing activities						
Collections of Municipal Option Sales Tax	3,857,040	-	-	3,857,040	-	
Principal paid on revenue bonds	(1,915,000)	-	-	(1,915,000)	-	
Interest paid on revenue bonds	(1,070,681)	-	-	(1,070,681)	-	
Principal paid on financed purchases	-	-	(72,753)	(72,753)	-	
Interest paid on financed purchases	-	-	(433,879)	(433,879)	-	
Payments for capital acquisitions	<u>(6,389,204)</u>	<u>(3,236,101)</u>	<u>(329,038)</u>	<u>(9,954,343)</u>	<u>(529,983)</u>	
Net cash used in capital and related financing activities	<u>(5,517,845)</u>	<u>(3,236,101)</u>	<u>(835,670)</u>	<u>(13,446,656)</u>	<u>(529,983)</u>	
Cash flows from investing activities						
Investment earnings	-	2,893,049	-	2,893,049	-	
Net cash provided by investing activities	<u>-</u>	<u>2,893,049</u>	-	<u>2,893,049</u>	-	
Net increase (decrease) in cash and cash equivalents	<u>4,312,125</u>	<u>(3,322,459)</u>	<u>1,246,328</u>	<u>2,235,994</u>	-	
Cash and cash equivalents at the beginning of fiscal year	<u>2,416,410</u>	<u>31,199,896</u>	<u>7,332,088</u>	<u>40,948,394</u>	-	
Cash and cash equivalents at the end of the fiscal year	<u><u>\$ 6,728,535</u></u>	<u><u>\$ 27,877,437</u></u>	<u><u>\$ 8,578,416</u></u>	<u><u>\$ 43,184,388</u></u>	<u><u>\$ -</u></u>	
Cash and cash equivalents	\$ 6,678,151	\$ 5,233,516	\$ 8,578,416	\$ 20,490,083	\$ -	
Restricted cash and cash equivalents	<u>50,384</u>	<u>22,643,921</u>	-	<u>22,694,305</u>	-	
Total	<u><u>\$ 6,728,535</u></u>	<u><u>\$ 27,877,437</u></u>	<u><u>\$ 8,578,416</u></u>	<u><u>\$ 43,184,388</u></u>	<u><u>\$ -</u></u>	

CITY OF EAST POINT, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2023

	Business-Type Activities Enterprise-Type Activities				Business- Type Activities	
	Major Funds					
	Water & Sewerage System	Electric System	Nonmajor Funds	Total		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 167,220	\$ (132,892)	\$ (1,766,666)	\$ (1,732,338)	\$ -	
Adjustments						
Depreciation	5,315,697	1,516,094	699,170	7,530,961	56,767	
(Increase) decrease in assets						
Accounts receivable and accrued revenues	1,701,485	40,357	90,980	1,832,822	-	
Inventory	(127,298)	52,861	-	(74,437)	-	
Prepaid items	43,796	169,088	(3,102)	209,782	79,078	
Increase (decrease) in liabilities						
Accounts payable	2,520,648	250,593	382,856	3,154,097	332,196	
Contract retainage payable	(6,971)	-	(92,173)	(99,144)	-	
Accrued expenses	91,524	(7,222)	53,521	137,823	40,142	
Contract claims payable	725,600	(2,917,980)	-	(2,192,380)	-	
Customer deposit	53,145	(40,690)	-	12,455	-	
Compensated absences	127,717	(45,900)	(34,425)	47,392	21,800	
Other post employment benefit	(128,484)	(114,387)	(69,681)	(312,552)	-	
Net pension liability	<u>(520,400)</u>	<u>(478,441)</u>	<u>(215,556)</u>	<u>(1,214,397)</u>	<u>-</u>	
Net cash provided by (used in) operating activities	<u>\$ 9,963,679</u>	<u>\$ (1,708,519)</u>	<u>\$ (955,076)</u>	<u>\$ 7,300,084</u>	<u>\$ 529,983</u>	

Schedule of noncash capital and related financing activity:

Obsolete and fully depreciated capital assets not in service - prior period adjustment	\$ (7,637,418)	\$ (1,234,560)	\$ (1,034,696)	\$ (9,906,674)	\$ (203,687)
Amortization of bond premium	\$ 270,000	\$ -	\$ -	\$ 270,000	\$ -

CITY OF EAST POINT, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2022 and June 30, 2023

	December 31, 2022	June 30, 2023
	Pension Trust	Agency Fund
Assets		
Cash and cash equivalents	\$ 10,966,838	\$ 1,950,525
Receivables		
Contribution receivable	436,495	-
Accrued interest and dividends receivable	<u>140,349</u>	<u>-</u>
Total receivables	<u>576,844</u>	<u>-</u>
Investments		
U.S. government obligations	2,545,676	-
Corporate bonds	10,315,014	-
Foreign bonds	834,008	-
Foreign stock	300,397	-
Common stock	27,527,412	-
Preferred stock	4,493,436	-
Mutual funds	56,174,923	-
Private equity funds	2,987,237	-
Private real estate funds	<u>24,903,162</u>	<u>-</u>
Total investments	<u>130,081,265</u>	<u>-</u>
Prepaid insurance	<u>9,505</u>	<u>-</u>
Total assets	<u>141,634,452</u>	<u>1,950,525</u>
Liabilities		
Accounts payable	<u>252,248</u>	<u>-</u>
Total liabilities	<u>252,248</u>	<u>-</u>
Net position		
Restricted for pension benefits	141,382,204	-
Restricted for individuals and organizations	<u>-</u>	<u>1,950,525</u>
Total net position	<u>\$ 141,382,204</u>	<u>\$ 1,950,525</u>

CITY OF EAST POINT, GEORGIA
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the calendar year ended December 31, 2022 and fiscal year June 30, 2023

	December 31, 2022	June 30, 2023
	Pension Trust	Agency Fund
Additions		
Contributions		
Employer	\$ 9,442,227	\$ -
Employee	<u>1,462,562</u>	<u>-</u>
Total contributions	<u>10,904,789</u>	<u>-</u>
Collections from individuals and organizations		386,510
Investment Earnings		
Net (depreciation) in fair value of investments	(21,559,831)	-
Interest and dividends	1,943,327	-
Less: investment expenses	<u>(1,105,750)</u>	<u>-</u>
Net investment income	<u>(20,722,254)</u>	<u>-</u>
Total additions	<u>(9,817,465)</u>	386,510
Deductions		
Benefits paid including refunds of employee contributions	10,741,440	-
Refunds and transfers to individual and organizations	-	113,635
Administrative expense	<u>252,247</u>	<u>133</u>
Total deductions	<u>10,993,687</u>	113,768
Increase in net position	<u>(20,811,152)</u>	272,742
Net position, beginning of fiscal year	<u>162,193,356</u>	1,677,783
Net position, end of fiscal year	<u>\$ 141,382,204</u>	<u>\$ 1,950,525</u>

CITY OF EAST POINT, GEORGIA
COMPONENT UNITS
STATEMENT OF NET POSITION
December 31, 2022 and June 30, 2023

	December 31, 2022	June 30, 2023	
	East Point Convention and Visitors Bureau	East Point Business and Industrial Development Authority	Total
Assets			
Current			
Cash and cash equivalents	\$ 996,774	\$ 437,568	<u>1,434,342</u>
Total current assets	996,774	437,568	1,434,342
Noncurrent assets			
Nondepreciable capital assets for resale	-	428,000	<u>428,000</u>
Total assets	996,774	865,568	1,862,342
Liabilities			
Current liabilities			
Due to primary government	-	175,390	175,390
Customer deposits	-	-	-
Total liabilities	-	175,390	175,390
Net position			
Unrestricted	<u>996,774</u>	<u>690,178</u>	<u>1,686,952</u>
Total net position	<u>\$ 996,774</u>	<u>\$ 690,178</u>	<u>\$ 1,686,952</u>

CITY OF EAST POINT, GEORGIA
COMPONENT UNITS
STATEMENT OF ACTIVITIES
For the calendar year ended December 31, 2022 and the fiscal year ended June 30, 2023

Functions / programs	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
			Calendar year ended December 31, 2022	East Point Convention and Visitors Bureau	Fiscal year ended June 30, 2023
	Expenses	Contributions			
East Point Convention and Visitors Bureau	\$ 24	\$ 996,798	\$ 996,774	\$ -	\$ 996,774
Business and Industrial Development Authority	<u>40,542</u>	<u>22,300</u>	<u>-</u>	<u>(18,242)</u>	<u>(18,242)</u>
Total business-type activities	<u>40,566</u>	<u>1,019,098</u>	<u>996,774</u>	<u>(18,242)</u>	<u>978,532</u>
Total component units	<u>40,566</u>	<u>1,019,098</u>	<u>996,774</u>	<u>(18,242)</u>	<u>978,532</u>
Change in net position			996,774	(18,242)	978,532
Net position, beginning of year			<u>-</u>	<u>708,420</u>	<u>708,420</u>
Net position, end of year			<u>\$ 996,774</u>	<u>\$ 690,178</u>	<u>\$ 1,686,952</u>

NOTES TO THE FINANCIAL STATEMENTS

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

The City of East Point, Georgia (the "City") was incorporated on August 10, 1887 under the provisions of Georgia Law 133, as amended. The City operates under a Council-Manager form of government and provides the following services: general government, judicial, public safety, public works, culture and recreation, economic and community development, water and sewer, electricity, storm water and solid waste disposal.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. The entity includes component units as described below.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or (3) the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

The City's component units are presented either as "blended" or "discretely presented". If blended, it is reported as if it were a fund of the City throughout the fiscal year. It is included at both the government-wide and fund financial reporting levels.

Discretely presented component units are reported only at the government-wide financial reporting level. The component unit columns included on the government-wide financial statements identify the financial data of the City's discretely presented component units. They are reported separately to emphasize that they are legally separate from the City.

A brief description of the blended component units is as follows:

East Point Building Authority (the "Authority") - The Authority was established to acquire, construct and equip capital projects for the City. The Mayor and City Council appoint members of the Authority. The City has lease agreements that require lease payments to the Authority from the City in amounts equivalent to the principal and interest on the Authority's outstanding debt. Capital assets owned by the Authority are included in capital assets; related debt and debt service are included in long-term debt in the government-wide financial statements and in the debt service fund. Assets owned by the Authority and leased for use by enterprise funds are included in the enterprise funds, along with the related capital debt. The Authority does not issue separate financial statements.

City of East Point Retirement Plan (the Plan) Pension Trust Fund. The City provides pension benefits to its employees through the Plan. The Retirement Committee for the Employees of the City of East Point administers the Plan. Separate audited financial statements for the Plan may be obtained by writing to the City Clerk's office at 2757 East Point Street, East Point, Georgia 30344.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

The following component units are discretely presented in the reporting entity:

East Point Business and Industrial Development Authority (EPBIDA) and the Downtown Development Authority of East Point (DDAEP) - The EPBIDA and the DDAEP, collectively referred to as EPBIDA, were established to assist in the promotion, rejuvenation and commercial development of the City. The board members of the Authorities are appointed by the City Council. The Authorities receive a substantial portion of their operating revenues and all of their office facilities from the City. While these entities are legally established as two separate authorities, they are operated and reported on as one entity. The EPBIDA and the DDAEP do not issue separate financial statements.

East Point Convention and Visitors Bureau (EPCVB) provides functions, literature, advertising, staff services, supplies, equipment and support for promoting the City as a destination for tourism. The EPCVB is fiscally dependent on the City as it does not have the authority to levy taxes or determine its own annual operating budget and annual plan without the approval of the City. The City remits to EPCVB, on a monthly basis, 43.75 percent (43.75%) of all tax revenues generated by the City's excise tax on hotels and motels within the City, as required to be spent by the EPCVB pursuant to O.C.G.A. 48-13-51(a)(3). The EPCVB has been included as a discretely presented component unit in the accompanying financial statements. Separate financial statements for the EPCVB are not prepared.

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position, a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The operating activity of the internal service funds is eliminated to avoid duplicating revenues and expenses.

The statement of net position presents the financial position of the governmental and business-type activities of the City and its discretely presented component units at fiscal year end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities, for each identifiable activity of the business-type activities of the City and for each major component unit. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses.

For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements - During the fiscal year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting - The City uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources as fund balance. The following are the City's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.

T-SPL0ST Fund - Transportation Special Purpose Local Option Sales Tax (TSPLOST) Fund accounts for the revenues and capital outlays for transportation purposes only.

Restricted Grants Fund - Restricted Grants Fund accounts for grants received by the City with donor restrictions. It is presented as a major fund for consistency with prior fiscal years and because of its significance in relation to the General Fund.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The following are the City's major enterprise funds.

Water and Sewer Fund – This fund provides water and sewer services to City residents.

Electric Fund – This fund provides electrical services to City residents.

Internal Service Fund – The internal service fund accounts for the operation and administration activity of the motor transport and IT programs of the City.

Fiduciary Funds - Fiduciary fund reporting focuses on net position. The City's fiduciary funds include pension trust funds and an agency fund. The pension trust fund provides pensions to City employees and City elected officials. The Agency Fund accounts for receipts held in escrow for individuals and outside organizations.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the flow of economic resources measurement focus. All assets plus deferred outflows of resources and all liabilities plus deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds employ the flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types and fiduciary funds are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets plus deferred outflows of resources and all liabilities plus deferred inflows of resources associated with the operation of these funds are included on the statements of net position. The statements of revenues, expenses and changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City 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. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

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. On the modified accrual basis, revenue is recorded when the exchange takes place and in the calendar fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current calendar fiscal year. For the City, the phrase "available for exchange transactions" means expected to be received within 60 days of fiscal year end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales tax, property taxes, grants, and donations. On an accrual basis, revenue from sales tax is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied, (Note 3-B). Revenue from grants and donations is recognized in the calendar fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days subsequent to fiscal year end) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes and federal and state grants.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred Inflows of Financial Resources - On the government fund financial statements, revenues are deferred inflows for:

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances)
Property taxes receivable not collected within 60 days of fiscal year end.

Deferred Outflows of Financial Resources – On the government fund financial statements, assets are deferred outflows for:

Prepaid items paid before services are rendered or the City becomes obligated.
Investments earnings that will be used to pay future liabilities.

Expenses/Expenditures - Using the accrual basis of accounting, expenses are recognized at the time they are incurred, if measurable. Using the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents - Cash and cash equivalents include amounts in demand and time deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Cash and cash equivalents are reported on balance sheets, statements of net position and in cash flow statements.

Cash balances of most City funds are pooled and invested. Interest earned from investments purchased with pooled cash is allocated to each fund based on the fund's average equity balance in the pooled fund.

Investments - The City is authorized by the City charter and Georgia statutes to invest in:

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

Assets of the City's pension plans are invested in accordance with Georgia statutes. These statutes authorize the City to invest these assets in:

Obligations of the United States Treasury or its agencies and instrumentalities,
Bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions,
Certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations,
Common stocks,
Money market instruments, and
Corporate bonds and debentures, which are not in default as to principal and interest.

Investments of the City are stated at fair value based upon quoted market prices.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

For the City's pension plan, securities traded on the national securities markets are valued at the last reported sales price on the last business day of the fiscal year. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at fair value determined by the trustee on the last reported bid and asked prices. Short term investments, corporate bonds, U.S. Government agency obligations and corporate stock are reported at fair value as of December 31, 2022 and 2021.

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectables, where applicable.

1-E-3. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4. Consumable Inventories

On the government-wide financial statements, inventories are presented at a moving average cost basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds and proprietary funds are stated at a moving average cost basis. For all funds, cost is determined on a first in, first out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year ending June 30, 2023, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the fiscal year in which services are consumed. At the fund reporting level, an equal amount of fund balance is stated as non-expendable, as this amount is not available for general appropriation.

1-E-6. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Restricted assets in the governmental funds relate to specific programs for which cash is restricted for use by the donor or the nature of the program, debt service payments and for capital projects.

1-E-7. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds or contributions. The City reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary fund's statement of net position.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of roads, bridges, storm sewers, traffic islands, street lights, traffic signals and street signs. 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.

The City has elected not to capitalize works of art and historical treasures based on its policy that these items are not held for financial gain, they will be preserved and any proceeds from the sale of the items will be used to acquire other collections.

All reported capital assets are depreciated except for land, right-of-ways, water rights and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Enterprise Activities	Component Units
Land improvements	10-25 years	10-25 years	-
Buildings	20-50 years	20-50 years	-
Building improvements	20 years	20 years	-
Machinery and equipment	3-10 years	5-20 years	7 years
Furniture and fixtures	3-8 years	3-8 years	3-8 years
Vehicles	5-15 years	5-15 years	-
Infrastructure	25-50 years	10-50 years	-

1-E-8. Compensated Absences

Vacation 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.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

1-E-9. Workers' Compensation

The reserves for claims are determined when a probable loss has occurred and the amount of the loss can be reasonably estimated. The reserves are conservatively estimated with no interest imputed in determining the amount of the claims or reserves (Note 4-A).

The total workers' compensation liability is reported on the government-wide financial statements. Proprietary funds report the total workers' compensation liability in each individual fund at the fund reporting level. Governmental funds report the workers' compensation liability at the fund reporting level only "when due."

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-10. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. Bonds and financed purchases are recognized as liabilities in the governmental fund financial statements “when due.”

1-E-11. Bond Premiums, Discounts, Issuance Costs and Bond Refunding Gains and Losses

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method and bond refunding gains and losses are reported as deferred inflows or outflows of resources and amortized over the shorter of the life of refunding debt or the refunded debt using the straight-line method. Bond issuance costs are recognized as current expenses in the reporting period in which they are incurred.

At the government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as debt service expenditures.

1-E-12. Fund Equity (See Note 3-I)

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

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

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City Council or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes, pursuant to constraints imposed by formal action of the City Council through the approval of a motion to adopt an ordinance prior to the end of the fiscal year. Only, the City Council may modify or rescind the commitment by adopting another ordinance to remove or revise the limitation as passed.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City manager or designee to assign fund balances.

Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other funds.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

Committed
Assigned
Unassigned

Net Position - Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has not spent) for the acquisition, construction or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

1-E-13. Operating Revenues and Expenses - Proprietary Funds

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for water and sewer, electric, storm water and sanitation services.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the proprietary funds. All other revenues and expenses are classified as non-operating including investment earnings, withdrawals from the Municipal Competitive Trust, interest expense and the gain or loss on the disposition of capital assets.

1-E-14. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets (e.g. developers) and grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-15. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. On the government-wide statement of activities, the exchange transactions between the internal service funds and the user funds are eliminated. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

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.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-17. General Services Costs

The City allocates a portion of general services costs (such as purchasing, accounting, budgeting, personnel administration, and certain other costs) to the Water and Sewer Fund, Electric Fund, Solid Waste Fund and the Internal Service Fund in order to more fully reflect the actual cost of providing these services.

1-E-18. Net Pension Liability (Asset)

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

1-E-19. Reclassifications

Certain amounts previously reported have been reclassified in order to be consistent with the current year.

1-E-20. Impact of Recently Issued Accounting Pronouncements

Pronouncements Effective for the Fiscal Year 2023 Financial Statements:

In March, 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of the statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The statement is effective for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government and end users (governments). The statement is effective for fiscal years beginning after June 15, 2022. The application of the statement did not have a significant impact on the City for the fiscal year ended June 30, 2023.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The statements addresses a variety of topics. The requirements related to leases, Public-Private and Public-Public Partnerships and Subscription Based IT Arrangements are effective for fiscal years beginning after June 15, 2022. The application of these requirements did not have a significant impact on the City for the fiscal year ended June 30, 2023.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Pronouncements Issued, but not Effective, which the City will Adopt in Future Fiscal Years:

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The statement defines various types of accounting changes and prescribes accounting, reporting and disclosure requirements for accounting changes and error corrections. The statement is effective for fiscal years beginning after June 15, 2023. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The statement requires that liabilities for compensated absences be recognized if the leave is attributable to services already rendered and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means and established definitions, guidance and disclosure requirements related to compensated absences. The statement is effective for fiscal years beginning after December 15, 2023. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

Note 2 - Stewardship, Compliance and Accountability

2-A. Budgetary Information

The City adopts an annual operating budget for all governmental funds except the Capital Projects Fund, which has a project-adopted budget. Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets. The City adopts budgets for its enterprise funds and internal service fund, however, the reporting of the budget to actual comparison is not required.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level as defined in the adopted budget, within each individual fund. The City manager is authorized to transfer appropriations within a single department from one line to another. Any change in total to a fund or departmental appropriation within a fund requires approval of the City Council.

For the fiscal year ended June 30, 2023, expenditures for the following exceeded appropriations:

General Fund:

Current, general government, administrative	\$ 1,485,435
Judicial	\$ 9,809
Public safety, jail and code enforcement	\$ 440,686
Public safety, fire	\$ 397,798
Culture and recreation	\$ 22,478
Debt service, principal retirements	\$ 71,773
Debt service, interest and fiscal charges	\$ 14,390
Transfer out	\$ 538,934

East Point Corridors Tax Allocation District fund

Debt service, principal	\$ 103,030
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Capital projects fund

Transfer out	\$ 2,085,668
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To ensure adequate appropriations, budget amendments are implemented during the fiscal year.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 2 - Stewardship, Compliance and Accountability (Continued)

2-B. Encumbrances

As discussed in note 2-A, Budgetary Information, the budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances outstanding at fiscal year end are as follows:

General fund	\$ 887,201
Restricted grant funds	17,734
T-SPLOST funds	25,901
Non-major governmental funds	<u>531,498</u>
 Total	 <u>\$ 1,462,334</u>

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits - 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.

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits or the securities collateralizing these deposits may not be recovered.

The City limits its custodial risk by requiring deposits to be collateralized in accordance with state law. As of June 30, 2023, the City was not exposed to custodial credit risk.

Also, the East Point Business and Industrial Development Authority's deposits were covered either by FDIC coverage or were entirely insured or collateralized with securities held by the component unit's agent in the component unit's name.

Investments (Governmental and Enterprise Funds)

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

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

At June 30, 2023, the City had the following investments and maturities:

Investment Type	Fair Value	Maturity Period: Under 30 days
Short-term government securities	\$ 22,643,921	\$ 22,643,921

Because of the maturity date, the investments above have been reported as cash equivalents in the accompanying financial statements.

Credit Quality Risk – Credit quality risk is that an issuer or other counter-party to an investment will not fulfill its obligations. The City's investment policy does not address credit risk. The above money market funds are rated "AAA".

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank or investment firm failure, the City's investments may not be recovered. The City's investment policy does not address custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a formally adopted investment policy for managing concentration of credit risk. The only investments in excess of 5% of the City's investment portfolio are federal securities and money market funds.

Deposits (Pension Trust Fund)

The City's Employees Retirement Plan (the "Plan") is a single employer defined benefit pension plan. Plan assets are to be invested in investments authorized by the Georgia Public Retirement Systems Investment Authority Law, OCGA 47-20-80. Those investments include obligations of the U.S Treasury or Agencies and instrumentalities, collateralized mortgage obligations, asset and mortgage backed securities, taxable bonds that are obligation of any state and its agencies, instrumentalities, and political subdivisions, and in certificates of deposit of national or state banks that are fully insured/, or collateralized by United States obligations. Additionally, the Plan is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

Credit Risk - Credit risk is the risk that an insurer or other party to an investment will not fulfill its obligations to the plan. State law limits investment to investment grade securities.

For equity investments, the decision as to individual security selection, security size and quality, number of industries and holdings, current income level, turnover, and other tools employed by equity investment managers are left to each manager's discretion, except that investment in micro-cap stocks (those securities with market capitalization less than \$100 million) are prohibited.

For fixed income investments, decisions as to individual security selection, turnover, number of industries and holdings, and the other tools employed by fixed income investment managers are left to each manager's discretion, subject to the standards of fiduciary prudence. The minimum quality rating of each fixed income security in any separate account portfolio is to be BAA or better.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2022, the Plan had \$130,081,265 invested in the type of investment as categorized by credit risk.

Investment	Fair Value	Credit Quality
United States Treasury notes and bonds	\$ 2,294,860	AAA
United States government agencies	250,816	Not rated
Corporate bonds	139,337	AAA
Corporate bonds	86,179	AA
Corporate bonds	26,723	AA-
Corporate bonds	140,366	A+
Corporate bonds	1,389,104	A
Corporate bonds	1,745,946	A-
Corporate bonds	1,151,800	BBB+
Corporate bonds	2,355,295	BBB
Corporate bonds	1,080,404	BBB-
Corporate bonds	2,199,861	Not rated
Foreign bonds	98,638	A
Foreign bonds	31,285	BBB+
Foreign bonds	704,084	Not rated
Preferred stock- domestic	4,493,436	Not rated
Common stock - domestic	27,527,412	Not rated
Mutual Funds	56,174,923	Not rated
Common stock - foreign	300,397	Not rated
Private equity funds	2,987,237	Not rated
Private real estate funds	<u>24,903,162</u>	Not rated
	<u><u>\$ 130,081,265</u></u>	

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. At December 31, 2022, the Pension Trust Fund had the following investments and maturities:

Investment Type	December 31, 2022	Total Investment	Duration (Years)
U.S. Treasury notes and bonds	\$ 2,294,860	1.76 %	4.74
U.S. government agencies	250,816	0.19 %	4.64
Corporate bonds	10,315,015	7.93 %	5.53
Foreign bonds	834,007	0.64 %	4.46
Mutual funds	56,174,923	43.19 %	-
Preferred stock - domestic	4,493,436	3.45 %	-
Common stock - domestic	27,527,412	21.16 %	-
Common stock - foreign	300,397	0.23 %	-
Private equity funds	2,987,237	2.30 %	-
Private real estate property funds	<u>24,903,162</u>	<u>19.15 %</u>	-
Total	<u><u>\$ 130,081,265</u></u>	<u><u>100.00 %</u></u>	

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counter-party, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2022, the Plan was not exposed to custodial credit risk with respect to its deposits or investments.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the government's investment in a single issue. The Plan is generally not authorized to hold more than 5% of plan assets in the securities of any individual security or in the securities of a single corporate issue. Individual asset managers may hold positions above 5% so long as the aggregate holding across asset managers does not exceed 5% of Plan assets. At December 31, 2022, the Plan was not exposed to concentration of credit risk.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Foreign Currency Risk – At December 31, 2022, the Plan had no exposure to foreign currency risk. The Plan did not have any investments in the stock of foreign companies.

Fair Value Measurement - The Plan has the following recurring fair value measurements, separated into the fair value hierarchy as of December 31, 2022:

Investment	Level 1	Level 2	Level 3	Total
United States government issues	\$ 2,294,860	\$ 250,816	\$ -	\$ 2,545,676
Corporate bonds	8,024,701	2,290,314	-	10,315,015
Foreign bonds	98,638	735,369	-	834,007
Mutual funds	56,174,923	-	-	56,174,923
Equity securities	<u>32,321,245</u>	<u>-</u>	<u>-</u>	<u>32,321,245</u>
	<u><u>\$ 98,914,367</u></u>	<u><u>\$ 3,276,499</u></u>	<u><u>\$ -</u></u>	<u><u>102,190,866</u></u>
Investments recorded at net asset value:				
Private equity funds				2,987,237
Private real estate funds				<u>24,903,162</u>
				<u><u>\$ 130,081,265</u></u>

Debt equity and mutual fund securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Level 3 pricing is based on best available information, including primarily unobservable inputs and assumptions market participants would use in pricing.

In addition to the three levels discussed above, if an investment does not have a readily determined fair value, the investment can be measured using net asset value per share (or its equivalent). Investments valued at net asset value are not listed as Level 1, 2, or 3.

The Plan investments in privately held equity and real estate funds that lack a readily determinable fair value are measured based on the net asset value (NAV) as reported by the general partner or investment manager as of December 31, 2022. The Plan reviews the monthly or quarterly valuations provided by the general partner or investment manager to the need for adjustments. Since the Plan has no intention to sell these investments, they are carried at NAV as estimated by the general partner or investment manager.

Cash and investment reconciliation at June 30, 2023:

	Cash and Cash Equivalents	Investments	Total
Fund Level Reporting:			
Governmental Fund Type - Statement of Net Position			
Unrestricted	\$ 36,720,849	\$ -	\$ 36,720,849
Restricted	53,409,167	-	53,409,167
Proprietary Fund Type - Statement of Net Position			
Enterprise Funds			
Unrestricted	20,490,083	-	20,490,083
Restricted	<u>22,694,305</u>	<u>-</u>	<u>22,694,305</u>
Total Fund Level	<u><u>\$ 133,314,404</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 133,314,404</u></u>
Fiduciary Fund Type - Statement of Fiduciary Net Position			
Restricted as of December 31, 2022	<u>\$ 10,966,838</u>	<u>\$ 130,081,265</u>	<u>\$ 141,048,103</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-B. Receivables

Receivables at June 30, 2023, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City'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, collectibility.

The City's individual major funds and nonmajor funds consist of the following:

Fund/receivable, by type	Taxes	Grants	Utility	Other	Allowance	Net Receivables
General fund	\$6,217,007	\$ 1,130,441	\$ -	\$ 78,879	\$ (1,243,401)	\$ 6,182,926
T-SPLST fund	648,617	-	-	-	-	648,617
Restricted grant fund	-	-	-	125,158	-	125,158
Nonmajor governmental funds	127,871	202,832	-	498,550	-	829,253
Water and sewer fund	511,716	-	4,688,022	-	(1,660,237)	3,539,501
Electric fund	-	-	8,268,960	-	(2,525,199)	5,743,761
Nonmajor enterprise funds	-	-	2,000,875	-	(517,124)	1,483,751
Total	<u>\$7,505,211</u>	<u>\$ 1,333,273</u>	<u>\$ 14,957,857</u>	<u>\$ 702,587</u>	<u>\$ (5,945,961)</u>	<u>\$18,552,967</u>

3-C. Property Taxes

Property taxes for the June 30, 2023 fiscal year were levied and billed on October 13, 2022, based on property values assessed as of January 1, 2022. The taxes were payable within 60 days of the billing date, due on December 13, 2022. An interest penalty of 10% per annum is charged on property taxes not paid within 90 days of the due date. Unpaid property taxes became an enforceable lien on April 13, 2023.

3-D. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amount for pensions and OPEB relates to certain differences between projected and actual actuarial results, certain differences between projected and actual investment earnings, as well as contributions between measurement and reporting dates, which are accounted for as deferred outflows of resources.

	Governmental	Enterprise	Total
Deferred outflows:			
Pension liability	\$ 12,241,876	\$ 4,789,481	\$ 17,031,357
OPEB liability	<u>1,810,132</u>	<u>802,503</u>	<u>2,612,635</u>
Total	<u>\$ 14,052,008</u>	<u>\$ 5,591,984</u>	<u>\$ 19,643,992</u>

In addition to liabilities, the statement of financial position reports 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The deferred gain on refunding results from the difference in the carrying value of refunded debt and reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amounts for pensions and OPEB relate to certain differences between projected and actual actuarial results and certain differences between projected and actual investment earnings, which are accounted for as deferred inflows of resources.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

These amounts are reported as follows:

	Governmental	Enterprise	Total
Deferred inflows:			
Pension liability	\$ 5,824,798	\$ 2,176,160	\$ 8,000,958
OPEB liability	14,213,084	6,109,727	20,322,811
Refunding of debt	-	1,124,147	1,124,147
Total	<u>\$ 20,037,882</u>	<u>\$ 9,410,034</u>	<u>\$ 29,447,916</u>

3-E. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, for governmental funds was as follows:

Asset Class	Restated Balance June 30, 2022	Additions	Retirements Reclasses	Balance June 30, 2023
Governmental activities				
Nondepreciable capital assets:				
Land	\$ 7,250,515	\$ -	\$ (74,154)	\$ 7,176,361
Construction	<u>14,489,325</u>	<u>1,690,884</u>	<u>(12,785,982)</u>	<u>3,394,227</u>
	<u>\$ 21,739,840</u>	<u>\$ 1,690,884</u>	<u>\$ (12,860,136)</u>	<u>\$ 10,570,588</u>
Depreciable capital assets:				
Land improvements	\$ 7,932,033	\$ 255,179	\$ (959,908)	\$ 7,227,304
Buildings	35,429,345	258,954	(623,337)	35,064,962
Furniture	1,737,820	41,133	(739,899)	1,039,054
Machinery and equipment	23,412,812	526,807	(14,758,161)	9,181,458
Vehicles	21,698,777	1,650,702	(14,923,355)	8,426,124
Infrastructure	<u>77,427,983</u>	<u>2,302,859</u>	<u>10,877,324</u>	<u>90,608,166</u>
Total depreciable capital assets	<u>167,638,770</u>	<u>5,035,634</u>	<u>(21,127,336)</u>	<u>151,547,068</u>
Total capital assets	<u>189,378,610</u>	<u>6,726,518</u>	<u>(33,987,472)</u>	<u>162,117,656</u>
Less accumulated depreciation:				
Land improvements	5,117,005	217,168	(779,435)	4,554,738
Buildings	11,418,154	903,218	(828,127)	11,493,245
Furniture	1,215,881	131,095	(733,825)	613,151
Machinery and equipment	18,904,109	803,363	(14,701,189)	5,006,283
Vehicles	15,979,789	783,307	(13,323,095)	3,440,001
Infrastructure	<u>30,976,941</u>	<u>2,394,646</u>	<u>(3,438,298)</u>	<u>29,933,289</u>
Total accumulated depreciation	<u>83,611,879</u>	<u>5,232,797</u>	<u>(33,803,969)</u>	<u>55,040,707</u>
Governmental capital assets, net	<u>\$ 105,766,731</u>	<u>\$ 1,493,721</u>	<u>\$ (183,503)</u>	<u>\$ 107,076,949</u>
Depreciation Expense by governmental activities:				
General government	\$ 1,079,639			
Public safety	1,528,179			
Public works	2,405,732			
Culture and recreation	<u>219,247</u>			
Total depreciation expense by governmental activities	<u>\$ 5,232,797</u>			

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

The following are the changes in the capital assets for the City's four enterprise funds and the internal service fund:

	Restated Balance June 30, 2022	Additions	Retirement Reclasses	Balance June 30, 2023
Business-type activities				
Nondepreciable capital assets:				
Construction in progress	\$ 2,189,147	\$ -	\$ (2,030,728)	\$ 158,419
Total nondepreciable capital assets	<u>2,189,147</u>	<u>-</u>	<u>(2,030,728)</u>	<u>158,419</u>
Depreciable capital assets:				
Land improvements	1,779,368	99,080	-	1,878,448
Building and other structures	136,240,350	7,972,632	2,030,728	146,243,710
Machinery and equipment	15,947,559	1,554,868	-	17,502,427
Vehicles	<u>8,333,583</u>	<u>875,860</u>	<u>-</u>	<u>9,209,443</u>
Total depreciable capital assets	<u>162,300,860</u>	<u>10,502,440</u>	<u>2,030,728</u>	<u>174,834,028</u>
Total capital assets	<u>164,490,007</u>	<u>10,502,440</u>	<u>-</u>	<u>174,992,447</u>
Less accumulated depreciation:				
Land improvements	925,186	177,937	-	1,103,123
Buildings and other structures	77,465,483	5,568,555	-	83,034,038
Machinery and equipment	12,571,614	910,535	-	13,482,149
Vehicles	<u>5,051,475</u>	<u>930,620</u>	<u>-</u>	<u>5,982,095</u>
Total accumulated depreciation	<u>96,013,758</u>	<u>7,587,647</u>	<u>-</u>	<u>103,601,405</u>
Business-type activities capital assets, net	<u>\$ 68,476,249</u>	<u>\$ 2,914,793</u>	<u>\$ -</u>	<u>\$ 71,391,042</u>

Capital asset activity for the component units for the fiscal year ended June 30, 2023, was as follows:

	Balance June 30, 2022	Additions	Retirements Reclasses	Balance June 30, 2023
East Point Business and Industrial Development Authority				
Nondepreciable:				
Assets held for resale	\$ 428,000	\$ -	\$ -	\$ 428,000
Depreciable capital assets:				
Buildings, machinery and equipment	<u>36,136</u>	<u>-</u>	<u>(36,136)</u>	<u>-</u>
Total capital assets	<u>464,136</u>	<u>-</u>	<u>(36,136)</u>	<u>428,000</u>
Less accumulated depreciation:				
Buildings, machinery and equipment	<u>36,136</u>	<u>-</u>	<u>(36,136)</u>	<u>-</u>
East Point Business and Industrial Development Authority capital assets, net	<u>\$ 428,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 428,000</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Interfund Balances and Transfers

Interfund balances at June 30, 2023, consisted of interfund loans between funds for cash flow purposes and the reclassification of cash overdrafts in the City's cash and investment pool.

Due From	Due To		
	Nonmajor Governmental Funds	Component Unit	Total
General Fund	\$ 529,289	\$ 175,390	\$ 704,679

Interfund transfers for the fiscal year ended June 30, 2023, consisted of the following:

Transfers out	Transfers In				
	General Fund	Nonmajor Governmental Funds	Electric Fund	Solid Waste Fund	Total
General fund	\$ -	\$ 4,307,918	\$ -	\$ 3,037,074	\$ 7,344,992
Nonmajor governmental funds	12,981,436	2,200,647	-	-	15,182,083
Electric fund	<u>85,878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,878</u>
Total	<u>\$13,067,314</u>	<u>\$ 6,508,565</u>	<u>\$ -</u>	<u>\$ 3,037,074</u>	<u>\$22,612,953</u>

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations and to return money to the fund from which it was originally provided once a project is completed. The transfer from a nonmajor governmental fund to the general fund reflects that the objectives of the nonmajor governmental fund have been met and its fully expended resources are reported in the general fund which has a similar economic and community development purpose.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Long-term Debt - Changes in the City's governmental activities long-term obligations for the fiscal year ended June 30, 2023 are as follows (net of premiums of \$827,966):

	<u>Outstanding</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding</u> <u>June 30, 2023</u>	<u>Amount Due</u> <u>in One Year</u>
Governmental activities					
Revenue bonds:					
Intergovernmental agreement	\$ 359,823	\$ -	\$ 85,878	\$ 273,945	\$ 88,541
Limited obligations bonds:					
Series 2015 Tax Allocation					
Bonds - East Point Corridors	700,000	-	600,000	100,000	-
Series 2017 GMA COPS	<u>12,495,000</u>	<u>-</u>	<u>115,000</u>	<u>12,380,000</u>	<u>120,000</u>
Subtotal bonded debt reported	13,554,823	-	800,878	12,753,945	208,541
Net unamortized premiums	<u>862,464</u>	<u>-</u>	<u>34,498</u>	<u>827,966</u>	<u>34,498</u>
Total bonded debt reported	<u>14,417,287</u>	<u>-</u>	<u>835,376</u>	<u>13,581,911</u>	<u>243,039</u>
Other long-term debt:					
Financed purchases	<u>519,100</u>	<u>-</u>	<u>80,595</u>	<u>438,505</u>	<u>82,876</u>
Total long-term debt	14,936,387	-	915,971	14,020,416	325,915
Other long-term liabilities:					
Compensated absences	2,271,709	1,375,040	1,822,567	1,824,182	-
Workers' compensation	-	1,309,085	471,312	837,773	298,966
Net OPEB obligation	27,223,145	2,403,035	13,469,465	16,156,715	-
Net pension obligation	<u>-</u>	<u>25,292,069</u>	<u>15,857,249</u>	<u>9,434,820</u>	<u>-</u>
Total other long-term debt	<u>29,494,854</u>	<u>30,379,229</u>	<u>31,620,593</u>	<u>28,253,490</u>	<u>298,966</u>
Total governmental activities	<u>\$ 44,431,241</u>	<u>\$ 30,379,229</u>	<u>\$ 32,536,564</u>	<u>\$ 42,273,906</u>	<u>\$ 624,881</u>

For governmental activities, other long-term liabilities are primarily liquidated by the general fund.

Changes in the City's business-type activities long-term obligations consisted of the following for the fiscal year ended June 30, 2023:

	<u>Outstanding</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding</u> <u>June 30, 2023</u>	<u>Amount Due</u> <u>in One Year</u>
Business-type activities					
Limited obligation bonds:					
2017 Building Authority revenue refunding bonds	\$ 28,290,000	\$ -	\$ 1,645,000	\$ 26,645,000	\$ 1,695,000
Net unamortized premium	<u>3,514,467</u>	<u>-</u>	<u>270,000</u>	<u>3,244,467</u>	<u>270,000</u>
Total bonded debt reported	<u>31,804,467</u>	<u>-</u>	<u>1,915,000</u>	<u>29,889,467</u>	<u>1,965,000</u>
Other long-term debt:					
Financed purchases	451,796	-	83,518	368,278	75,940
Total long-term debt	32,256,263	-	1,998,518	30,257,745	2,040,940
Other long-term liabilities:					
Contract claim payable	12,853,129	725,600	-	13,578,729	-
Net OPEB obligation	11,676,184	974,270	5,460,974	7,189,480	-
Net pension obligation	<u>-</u>	<u>11,478,828</u>	<u>8,354,256</u>	<u>3,124,572</u>	<u>-</u>
Total other long-term liabilities	<u>24,529,313</u>	<u>13,178,698</u>	<u>13,815,230</u>	<u>23,892,781</u>	<u>-</u>
Total business-type activities	<u>\$ 56,785,576</u>	<u>\$ 13,178,698</u>	<u>\$ 15,813,748</u>	<u>\$ 54,150,526</u>	<u>\$ 2,040,940</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Governmental Activities Bonds and Financed purchases - The following is a summary of the outstanding long-term bonds and financed purchases at June 30, 2023:

2011 Building Authority Revenue Bonds – In 2011, the City issued revenue bonds in the amount of \$1,150,000 at an interest rate of 6.1%. The purpose of the bonds is to purchase property known as “the Wachovia Bank Building” and make needed renovations. Semi-annual principal installments are made in decreasing amounts with principal maturing December 1, 2025. There is an intergovernmental agreement between the City and the East Point Building Authority. Annual debt service requirements to amortize the revenue bonds, as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 88,541	\$ 14,244	\$ 102,785
2025	91,286	8,652	99,938
2026	<u>94,117</u>	<u>2,918</u>	<u>97,035</u>
Total	<u>\$ 273,944</u>	<u>\$ 25,814</u>	<u>\$ 299,758</u>

2015 Tax Allocation Bonds (East Point Corridors) In November 2015, the City issued tax allocation bonds, for the corridors tax allocation district projects, in the amount of \$1,200,000 at an interest rate of 5.125% debt service payment for the Series 2015 Bonds are payable on August 1st of each year with principal maturing August 1, 2040.

Annual debt service requirements to amortize this debt, as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ 35,875	\$ 35,875
2025	-	35,875	35,875
2026	-	35,875	35,875
2027	-	35,875	35,875
2028	-	35,875	35,875
2029-2033	-	179,375	179,375
2034-2038	-	179,375	179,375
2039-2041	<u>100,000</u>	<u>89,688</u>	<u>189,688</u>
Total	<u>\$ 100,000</u>	<u>\$ 627,813</u>	<u>\$ 727,813</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

2017 GMA City Hall Project Certificate of Participation- On November 20, 2017, the City issued \$12,835,000 Georgia Municipal Association, Inc. Installment Sale Program Certificate of Participation (COPS) (City of East Point City Hall Project), Series 2017, to be used to construct a new city hall. The COPS will be payable from fiscal years 2019 through 2048 with interest rates ranging from 2.0% to 5.0%.

Annual debt service requirements to amortize this debt, as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 120,000	\$ 533,725	\$ 653,725
2025	315,000	528,925	843,925
2026	330,000	513,175	843,175
2027	350,000	499,975	849,975
2028	360,000	485,975	845,975
2029-2033	2,005,000	2,215,225	4,220,225
2034-2038	2,365,000	1,859,875	4,224,875
2039-2043	2,880,000	1,341,950	4,221,950
2044-2048	<u>3,655,000</u>	<u>566,250</u>	<u>4,221,250</u>
Total	<u>\$ 12,380,000</u>	<u>\$ 8,545,075</u>	<u>\$ 20,925,075</u>

Financed purchases/capital lease obligations - The City has entered into numerous purchase agreements relative to its governmental activities with Santander Bank. The following assets were included in these financed purchases:

<u>Purchase Number</u>	<u>Purchase Date</u>	<u>Purchase Description</u>	<u>Interest Rate</u>	<u>Initial Purchase Amount</u>
55	May 14, 2021	Fire Pumper Truck	2.83%	\$ 600,000

Annual debt service requirements for these financed purchase payable as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 82,876	\$ 12,409	\$ 95,285
2025	85,221	10,064	95,285
2026	87,633	7,652	95,285
2027	90,133	5,152	95,285
2028	<u>92,642</u>	<u>2,643</u>	<u>95,285</u>
Total	<u>\$ 438,505</u>	<u>\$ 37,920</u>	<u>\$ 476,425</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Business-type Activity Debt – The City reports three building authority debt issuances and a variety of financed purchases for business-type activities:

2017 Building Authority Revenue Refunding Bonds – On May 3, 2017, the City issued revenue refunding bonds in the amount of \$46,055,000 at an interest rate ranging from 2% - 5%, to fund a water and sewer project. The purpose of advance refunding was to refund \$39,295,000 of Series 2006A Revenue Bonds (Water and Sewer Project) and \$10,325,000 of Series 2007 Revenue Bonds (Water and Sewer Project), to purchase a municipal bond insurance policy relating to the Series 2017 Bonds and to pay certain costs of issuing the Series 2017 Bonds. The Series 2017 bonds have varying semi-annual principal and interest payments due (February 1 and August 1) commencing August 1, 2017 through February 2035. The refunding transaction resulted in aggregate debt service savings of \$7,781,356 and an economic gain (net present value of the aggregate debt service savings) of \$6,022,698.

Annual debt service requirements to amortize this debt, as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,695,000	\$ 1,237,331	\$ 2,932,331
2025	1,775,000	1,152,581	2,927,581
2026	1,865,000	1,063,831	2,928,831
2027	1,965,000	970,581	2,935,581
2028	2,060,000	872,331	2,932,331
2029-2033	11,835,000	2,826,695	14,661,695
2034-2035	<u>5,450,000</u>	<u>412,250</u>	<u>5,862,250</u>
Total	<u>\$ 26,645,000</u>	<u>\$ 8,535,600</u>	<u>\$ 35,180,600</u>

Financed purchases/capital lease obligations - The City has entered into numerous purchase agreements relative to its business-type activities with Republic National Corporation. The following equipment and improvements were included in these financed purchases:

<u>Purchase Number</u>	<u>Purchase Date</u>	<u>Purchase Description</u>	<u>Interest Rate</u>	<u>Initial Purchase Amount</u>
53	May 17, 2022	Two Rear End Loader Trucks	4.96%	\$ 451,795

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements for these financed purchase payable as of June 30, 2023, are as follows:

<u>Fiscal year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 75,940	\$ 17,728	\$ 93,668
2025	79,596	14,072	93,668
2026	83,427	10,241	93,668
2027	<u>129,315</u>	<u>6,225</u>	<u>135,540</u>
Total	<u><u>\$ 368,278</u></u>	<u><u>\$ 48,266</u></u>	<u><u>\$ 416,544</u></u>

As of fiscal year June 30, 2023, the gross amount of capital assets under financed purchases for the City's business type activities is \$368,278, and the related accumulated depreciation is \$-. No depreciation was recorded on this asset since it was purchased in the last month of the year.

The general fund services the governmental activities Building Authority bonds and financed purchases. The tax allocation bonds are being serviced by the 2015 East Point Corridor tax allocation district fund. The business-type activities revenue bonds are serviced by the water fund. The business-type activities financed purchases are being serviced by the solid waste fund. Compensated absences are being paid by the fund in which the employee works, primarily the general fund, the enterprise funds and the internal service fund. The liabilities for worker's compensation and claims are being paid by the general fund.

Arbitrage Rebate – The arbitrage rebate liability is treated as a claim or judgment upon occurrence, on all City obligations. Certain City long-term debt obligations are subject to Internal Revenue Code Section 148, which requires that interest earned on proceeds from the issuance of tax-exempt debt be rebated to the Federal government to the extent that those earnings exceed the interest costs on the related tax-exempt debt. At June 30, 2023, the City has no arbitrage rebate liability on any of its tax-exempt debt issuances.

3-G. Pension Plan

The City provides pension benefits to its employees through the City of East Point Employees Retirement Plan (the "Plan"). The Retirement Committee for the employees of the City administers the Plan. The City's general fund is required to liquidate any net pension obligation or make up any deficiencies when benefit payments are due. The cost of administering the Plan is primarily paid by investment earnings.

The City's pension is part of the City financial reporting entity and is therefore included in this financial statement as a pension trust fund. Furthermore, the City issues publicly an available financial statement report for the Plan. The report may be obtained by writing to the City Clerk's office at the following address:

City of East Point, 2757 East Point Street, East Point, Georgia 30344

Plan Description – The Plan is a single employer, contributory defined benefit pension plan. Effective July 1, 1998, the Plan covers all City employees employed prior to April 1, 1992. Also, effective July 1, 1998, the City established an additional class of eligible employees or class 5 for employees hired subsequent to March 31, 1992. These benefit provisions and all other requirements are established by State statute and City ordinance.

Benefits are different for each class of employee. The Plan defines each class as follows:

- Class 1 - Transferred from old plan on June 19, 1975.
- Class 2 - General employees and elected officials hired before April 1, 1992.
- Class 3 - Police and fire employees hired before April 1, 1992.
- Class 5 - Eligible full-time employees hired on or after April 1, 1992 and elected officials.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Vesting for each class is as follows:

- Class 1 - Vesting begins after 8 years of service (closed plan).
- Class 2 and 3 - Vesting begins after 10 years of service.
- Class 5 - Vesting begins after 10 years of service and be within 10 years of earliest retirement date. If elected official, 5 years of service.

Normal retirement ages and years of service required in order to receive benefits for each class are as follows:

- Class 1 - Age 50 and 8 years of service (closed plan).
- Class 2 - Age 65 and 10 years of service; if elected official, age 60 and 5 years of service.
- Class 3 - Age 55 and 10 years of service.
- Class 5 - Age 65 (55 for police officers and firefighters) and 10 years of service. If elected officials, age 60 and 5 years of service.

Early retirement is allowed as follows:

- Class 2 and 3 - Age 50 and 10 years of service.
- Class 5 - Age 55 and 10 years of service for general employees, police officers and firefighters.

The benefit is reduced by 3% for each year retirement precedes normal retirement date. The monthly benefit is then calculated.

The Plan also provides death and disability benefits. These benefit provisions and all other requirements are established by State statute and City ordinance.

Plan Membership - At January 1, 2021, the date of the most recent actuarial valuation, there were 805 participants respectively, consisting of the following:

Current active employees	416
Retirees or beneficiaries currently receiving benefits	363
Terminated members entitled to but not yet receiving benefits	<u>26</u>
Total	<u><u>805</u></u>

Funding Policy - The contribution requirements of Plan members and the City are established in accordance with applicable pension law. The City's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The City is currently contributing 38.26% of covered payroll and the active participants are contributing 6% of their base pay.

Net Pension Liability - The net pension liability is the difference between the total pension liability and the Plan's fiduciary net position. The total pension liability is the present value of pension benefits that are allocated to current members due to past service by entry age normal actuarial cost method. The total pension liability includes benefits related to projected salary and service and automatic cost of living adjustments (COLA). In addition, ad hoc COLA are also included in the total pension liability to the extent they are substantively automatic. The Plan's fiduciary net position is determined on the same basis used by the plan. The City's net pension liability was measured on December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Measurement date: December 31, 2022

Total pension liability	\$ 153,941,596
Fiduciary net position	<u>141,382,204</u>
Net pension liability (asset)	<u><u>\$ 12,559,392</u></u>
Plan fiduciary net position as a percentage of total pension liability	91.84%

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

A schedule of net pension liability, in addition to the information above, (beginning with fiscal year 2022) is presented in the Required Supplementary Information section.

Schedule of Changes in Net Pension Liability - Changes in the City's net pension liability presented below are calculated on the same basis as the plan. The change in net pension liability for the Plan for the calendar year ended December 31, 2022, is as follows:

	Total Pension Liability (a)	Plan Net Position (b)	Net Pension (Asset) (a)-(b)
Changes for the calendar year:			
Service cost	\$ 3,377,795	\$ -	\$ 3,377,795
Interest	10,046,115	-	10,046,115
Difference in expected and actual experience	2,372,474	-	2,372,474
Contributions - employer	-	9,442,227	(9,442,227)
Contributions - participant	-	1,462,562	(1,462,562)
Net investment income	-	(20,722,254)	20,722,254
Benefits paid	(9,938,448)	(9,938,448)	-
Refund of contributions	(802,992)	(802,992)	-
Plan administrative expenses	<u>-</u>	<u>(252,259)</u>	<u>252,259</u>
Net changes	<u>5,054,944</u>	<u>(20,811,164)</u>	<u>25,866,108</u>
Net pension liability, beginning	<u>148,886,652</u>	<u>162,193,368</u>	<u>(13,306,716)</u>
Net pension liability, ending	<u>\$ 153,941,596</u>	<u>\$141,382,204</u>	<u>\$ 12,559,392</u>

The governmental activities column reports a net pension obligation of \$9,434,820 and the enterprise funds report a net pension obligation of \$3,124,572.

Pension Expense – The pension cost for the calendar year ended December 31, 2022 is \$5,552,069. The governmental activities column report pension cost of \$3,855,354 and the enterprise funds report \$1,696,715.

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed the City would contribute the actuarially required contribution in the future. Based on those assumptions and considering the Plan's net position as of December 31, 2022, the Plan's net position was projected to be available to make projected future benefit payments of current plan members through 2119. Therefore, the long-term expected rate of return on pension plan investments (7.00%) becomes the discount rate and thus is applied to all projected future benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following table presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00%) or one-percentage-point higher (8.00%) than the current rate:

	Current Discount Rate		
	1% Decrease (6.00%)	Rate (7.00%)	1% Increase (8.00%)
City's net pension liability	<u>\$ 30,996,094</u>	<u>\$ 12,559,392</u>	<u>\$ (2,766,720)</u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Schedule of Deferred Outflows and Inflows of Resources -

Deferred outflows of resources and deferred inflows of resources by source reported by the City at June 30, 2023, for the pension plan are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 2,077,992	\$ 3,577,826
Changes of assumption	3,548,248	4,423,132
Net difference between projected and actual earnings on plan investments	<u>11,405,117</u>	-
Net deferred outflows and inflows	<u><u>\$ 17,031,357</u></u>	<u><u>\$ 8,000,958</u></u>

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

Fiscal year ended June 30,	Deferred Outflows (Inflows) of Resources
2024	672,153
2025	(289,481)
2026	2,007,755
2026	<u>6,639,972</u>
Net deferred outflows and inflows	<u><u>\$ 9,030,399</u></u>

Actuarial Assumptions Used to Calculate the Net Pension Liability - The total pension liability was determined by an actuarial valuation as of January 1, 2022, with updates performed by the actuary to roll forward to the total pension liability measured as of December 31, 2022. The following actuarial assumptions apply to all periods included in the measurement:

Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Salary increase	3.50%, including inflation
Inflation	2.25%
Mortality	The rates of mortality are according to the PUB 2010 Headcount Weighted Above Median Tables, generational mortality projected with Scale MP-2020 e.
Cost of Living Adjustment:	
Class 1-3	2.25%

The long-term expected rate of return on Plan investments was determined using a log-normal distribution analysis 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 Plan's target asset allocation as of December 31, 2022, are summarized on the next page.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U. S. Large Cap Equity	35%	5.37%
U. S. Small/Mid Cap Equity	20%	6.53%
U.S Direct Real Estate	10%	4.87%
Pfds/Converts	15%	2.98%
U.S Aggregate Bond	<u>20%</u>	1.20%
 Total	 <u>100%</u>	

3-H. Other Postemployment Benefits (OPEB)

The City of East Point Retiree Healthcare Plan (the “Healthcare Plan”) is a single-employer defined benefit healthcare plan which provides other postemployment benefits (OPEB) to eligible retirees, dependents and their beneficiaries.

The City Council has the authority to establish the benefit provisions and may amend them as necessary. The Healthcare Plan was established by legislative acts and functions in accordance with existing City laws. OPEB of City retirees includes health, dental, and vision care and life insurance. Separate financial statements are not prepared for the Healthcare Plan.

At June 30, 2022, the most recent actuarial valuation date, the Healthcare Plan had 455 active participants and 254 retired participants and beneficiaries receiving benefits.

Funding Policy – The City has not advance-funded or established a funding methodology for the annual OPEB costs or to retire the net OPEB obligation. The City Council is the authority that sets the contribution rates for active employees and retirees. Active employees do not contribute and retirees pay approximately 46% of the premium. The balance of the premium is paid by the City. The City covers the cost of administering the plan.

Schedules of Changes in Net OPEB Liability – The following table includes the City’s annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and the changes in the City’s net OPEB obligation:

Service cost	\$ 2,555,338
Interest	821,968
Difference between expected and actual experience	(16,898,354)
Changes of assumptions	(1,413,487)
Benefit payments	<u>(618,597)</u>
 Net change in net OPEB obligation	 (15,553,132)
Total OPEB obligation, beginning of fiscal year	<u>38,899,327</u>
Total OPEB obligation, end of fiscal year	<u>\$ 23,346,195</u>

The governmental activities column reports a net OPEB obligation of \$16,156,715 and the enterprise funds report \$7,189,480 net OPEB obligation.

OPEB expense - The OPEB cost for the fiscal year ended June 30, 2023 is \$464,855. The governmental activities report an OPEB cost of \$324,715 and the enterprise funds report an OPEB cost of \$140,140.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial valuation involves estimates of the value of the reported amounts and assumptions about the probability of events far into the future. Examples include assumptions of future employment, mortality and health care cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The City's actuarial valuation information is as follows:

Current Valuation Date	June 30, 2022
Actuarial Assumptions:	
Inflation	2.25%
Salary increases, including wage inflation	3.50%
Municipal Bond Index Rate at:	
Prior Measurement Date	2.13%
Measurement Date	3.37%
Health Care Cost Trends:	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Post-Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025
Dental	4.00%

The discount rate used to measure the total OPEB liability was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

Mortality rates were based on the PUB2010 mortality tables, generational projection using Scale MP-2020.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates - The following presents the total OPEB liability for the City's plan, calculated using the discount rate, as well as what the City's total OPEB liability would have been if it were calculated using a health care cost trend that is 1-percent-point lower and 1-percent-point higher than the current rate:

	1% Decrease Healthcare cost trend rate	Current Healthcare cost trend rate	1% Increase Healthcare cost trend rate
City's total OPEB liability	\$ 20,433,553	\$ 23,346,194	\$ 27,006,416

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability for each of the City's plans, calculated using the discount rate, as well as what the City's total OPEB liability would have been if it were calculated using a discount rate that is 1-percent-point lower and 1-percent-point higher than the current rate:

	1% Decrease in discount rate 2.37%	Current discount rate 3.37%	1% Increase in discount rate 4.37%
City's total OPEB liability	\$ 26,836,357	\$ 23,346,194	\$ 20,540,683

Schedule of Deferred Outflows and Inflows of Resources - Deferred outflows of resources and deferred inflows of resources by source reported by the City at June 30, 2022 for the OPEB plan are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ -	\$ 19,170,115
Changes of assumptions or other inputs	<u>2,612,635</u>	<u>1,152,696</u>
Net deferred outflows and inflows	\$ 2,612,635	\$ 20,322,811

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits at June 30, 2022 will be recognized in OPEB expense as follows:

	<u>Net Deferred Outflows (Inflows) of Resources</u>
Measurement period ended June 30:	
2024	(4,642,839)
2025	(4,642,839)
2026	(3,647,821)
2027	(3,357,680)
Thereafter	<u>(1,418,997)</u>
Total OPEB obligation, end of fiscal year	<u>\$(17,710,176)</u>

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CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-I. Fund Equity

Fund Balances – Fund balances are classified as follows:

Nonspendable – The following fund balances are nonexpendable because they are not in expendable form:

General Fund:

Inventories	\$ 235,378
Prepaid	<u>820,991</u>
Total	<u><u>\$ 1,056,369</u></u>

Restricted – The following fund balances are legally restricted to specified purposes:

Governmental Funds:

Major Funds:

Restricted Grants	\$ 7,216,307
T-SPLOST	<u>20,576,593</u>
Subtotal Major funds	<u><u>27,792,900</u></u>

Nonmajor Funds:

Capital projects	11,214,317
Tourism	1,915,109
Debt Service	866,818
Public Safety	<u>5,092,395</u>
Subtotal Nonmajor funds	<u><u>19,088,639</u></u>

Total

\$ 46,881,539

Net Investment in Capital Assets

The “*Net investment in capital assets*” amount as reported on the government-wide statement of net position as of June 30, 2023 is as follows:

<u><u>Net investment in capital assets</u></u>	<u><u>Governmental Activities</u></u>	<u><u>Business Type Activities</u></u>
Cost of capital assets	\$ 162,117,656	\$174,992,447
Less accumulated depreciation	<u>(55,040,707)</u>	<u>103,601,405</u>
Book value	107,076,949	71,391,042
Less capital related debt - bonds	(12,753,945)	(26,645,000)
Less capital related debt - financed purchases	(438,505)	(368,278)
Less premium on bonds	(827,966)	(3,244,467)
Less accrued interest	(237,360)	(515,555)
Less capital related debt - contract retainage	(169,088)	(149,434)
Add unspent bond proceeds	<u>2,048,565</u>	-
Net investment in capital assets	<u><u>\$ 94,698,650</u></u>	<u><u>\$ 40,468,308</u></u>

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 4 - Other Notes

4-A. Risk Management

The City is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City established a fully self-insured program for workers' compensation (See below) whereby any claims exceeding \$500,000 are paid through a private insurance carrier. The City, through a third-party administrator, pays any others.

According to the General Assembly of the State of Georgia, Section 36-33-1 of the official Code of Georgia Annotated, as amended, municipal corporations (i.e., the City of East Point), via sovereign immunity, shall be immune from liability for damages for actions based upon tort, but not contract. This immunity is still subject to actions brought based upon federal constitutional or statutory rights. The City carries liability insurance for the types of claims and in amounts that are customary for similar entities for those categories of claims not subject to the defense of sovereign immunity. The City maintains commercial property and casualty insurance for property damage, earthquake, or flood damage. The various City assets consisting of its mechanical systems, computers, and other equipment is insured for over \$3,000,000, subject to limits for the individual asset types.

The City has purchased liability insurance for its general liability, its automobiles, its employees, public safety officers, public officials, and a blanket fidelity bond. Performance surety bonds and builders' risk insurance is required of all contractors and subcontractors involved in the construction and renovation of municipal facilities or assets. Any surety bonds are to be issued by firms having a rating of "A" or better by A.M. Best & Co. and builder's risk insurance must equal the sums of the contract.

There has not been a significant reduction in insurance coverage from the previous fiscal year. Settlement claims have not exceeded commercial coverage in any of the past three (3) years.

The following represents the changes in approximate claims liabilities for workers' compensation during the fiscal year ended:

<i>Fiscal year ending June 30,</i>	<i>Beginning of Fiscal Year Liability</i>	<i>Claims and Changes in Estimates</i>	<i>Claim Payments</i>	<i>End of Fiscal Year Liability</i>
2021	\$441,158	\$1,163,155	\$1,098,194	\$506,119
2022	\$506,119	\$1,309,085	\$471,312	\$1,343,892
2023	\$506,119	\$1,309,085	\$471,312	\$1,343,892

4-B. Commitments

Construction Commitments - As of June 30, 2023, the City has the following construction commitments outstanding:

<i>Contractor</i>	<i>Total Contract</i>	<i>Project-to-date Expenditures</i>	<i>Remaining Commitments</i>	<i>Remaining Percentage</i>
Baldwin Paving Company	\$ 669,838	\$ 573,445	\$ 96,393	3.7 %
Lewallen Construction	3,201,320	2,916,949	284,371	10.9 %
Mullins Brothers Paving	1,764,306	571,238	1,193,068	45.7 %
Tantalus Systems	2,513,311	1,475,438	1,037,873	39.7 %
Total	\$ 8,148,775	\$ 5,537,070	\$ 2,611,705	100 %

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 4 - Other Notes (Continued)

Contract Commitments - Municipal Electric Authority of Georgia – The City has entered into a power sales contract with the Municipal Electric Authority of Georgia (MEAG). The contract requires the City to purchase from MEAG all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's future minimum payment obligations to MEAG will be based on MEAG's costs and the City's yearly demand for bulk power supply. The City's payment obligations under this contract are general obligations for which the City's full faith, credit and taxing powers are pledged. In order to continue to purchase from MEAG, the City is contingently liable for MEAG liabilities in the event of a default by MEAG. The City is current on all of its obligations to MEAG for power sales contracts.

Subsequent amendments to the MCT allowed the City and other participants to withdraw funds (covering the period from January 2009 through December 31, 2018) from the Credit Support Operating Account and the Flexible Operating Account. The sum of these accounts is reported in the City's Electric Utility Fund with the balance at June 30, 2023 at \$22,643,921. Funds within the Reserve Funded Debt account may be withdrawn only pursuant to the terms of the MCT agreement as amended; however, due to the restricted nature of the withdrawals from this account, it is not recorded in the Electric Utility Fund's financial statements. The Reserve Funded Debt account has been closed.

Contract Commitments - TSPLOST Intergovernmental Agreement - In 2016, the State of Georgia passed Senate Bill 369 authorizing counties to consider a Special Purpose Local Option Sales Tax for transportation purposes (TSPLOST). On July 18, 2016, the City approved the resolution to enter into an Intergovernmental Agreement with Fulton County, Georgia (the County) for the use and distribution of proceeds by the Special Purpose Local Option Sales Tax Referendum for transportation purposes (TSPLOST). On November 8, 2016, voters approved the referendum to allow the County to impose a .075 percent Metropolitan County Transportation Special Purpose Local Option Sales Tax. The funding is to be generated from within Fulton County, outside of the City of Atlanta, Georgia. The tax collection began on April 1, 2017 and will last no more than 5-years, until March 30, 2022 or when the maximum amount of \$655 million is reached. Fourteen municipalities are participants in the TSPLOST Intergovernmental Agreement for the Use and Distribution of TSPLOST Proceeds with approximately \$40 million estimated at Tier 1, 2 & 3 for the City of East Point. Funds collected can only be spent for transportation improvements, such as roads, bridges, sidewalks, bicycle paths and other transportation-related purposes included in the legislation. Each city is responsible for managing and implementing its approved projects list.

On January 19, 2021, the City approved the resolution to enter into another Intergovernmental Agreement with the County for the use and distribution of proceeds by the Special Purpose Local Option Sales Tax Referendum for transportation purposes (TSPLOST). On November 2, 2021, voters approved the referendum to allow the County to impose a .075 percent Metropolitan County Transportation Special Purpose Local Option Sales Tax. The funding is to be generated from within Fulton County, outside of the City of Atlanta, Georgia. The tax collection began on April 1, 2022, and will last no more than 5-years, until March 31, 2027 or when the maximum amount of \$546 million is reached. Fourteen municipalities are participants in the TSPLOST Intergovernmental Agreement for the Use and Distribution of TSPLOST Proceeds with approximately \$37 million estimated at Tier 1, 2 & 3 for the City of East Point. Funds collected can only be spent for transportation improvements, such as roads, bridges, sidewalks, bicycle paths and other transportation-related purposes included in the legislation. Each city is responsible for managing and implementing its approved projects list. See page 92 for the schedule of TSPLOST projects.

Contract Commitments - Local Options Sales Tax (LOST) - The LOST is one-penny sales tax on the purchase, rental, sale, or consumption of tangible personal property and related services. LOST revenues are distributed to local municipalities and counties based on population. The LOST is renegotiated every 10 years between the city governments and county government. LOST is a major funding source in the City's General Fund and contributes the second largest revenue source after property taxes. For the City, the funds are used for major services such as public safety, public works, recreational and park services, and other related services. On July 15, 2022, the City, along with 14 other cities, began renegotiations with Fulton County over the LOST distribution percentages.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 4 - Other Notes (Continued)

Contract Commitments -Municipal Option Sales Tax (MOST) - The City's charter section 1-103(25) authorizes the City to, among other things, operate, maintain, and regulate a system of waterworks, sewers and drains, and sewage disposal, which the City operates as its water and sewer system. The Mayor and Council have determined it is in the best interest of the City to call for a referendum on the imposition of a one percent (1%) water and sewer projects and costs tax pursuant to O.C.G.A. 48-8-200 et seq.

Effective September 1, 2022, a one percent (1%) municipal sales and use tax is to be collected for retail sales and use taking place in the city limits of the City. The proceeds from the tax are used for funding the City's water and sewer system capital projects, operations, and maintenance costs. The MOST was approved by the City's residents on the May 24, 2022, special election for a period not to exceed four years and for the raising of not more than \$43,308,183.

Contract Commitment - Hotel-Motel Lodging Tax - The City is authorized by O.C.G.A. § 48-13-51(b)(2) to levy a hotel-motel tax at a rate not to exceed 8%. Pursuant to O.C.G.A. § 48-13-51(b)(5)(A) and (b)(6), and as previously determined by the Hotel Motel Tax Performance Review Board, the City must remit 3.5% of the total hotel-motel tax collected to the destination marketing organization (DMO) designated by the City. The DMO is required to expend the hotel-motel tax revenues it receives from the City in the fiscal year during which the tax is collected to promote tourism, conventions, and trade shows in the fiscal year during which the tax is collected. On July 1, 2022, the City contracted with the East Point Convention and Visitors Bureau (EPCVB) as the designated DMO. During the fiscal year the City collected \$5,596,292 and transferred \$2,099,092 to general fund and paid \$1,049,160 to the EPCVB. The balance of the remaining funds is used to cover other approved tourism projects and remains in the Hotel-motel fund until expended.

4-C. Contingent Liabilities

Various claims and lawsuits are pending against the City. After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, it is the opinion of the City Attorney and City Management that the potential liability resulting from these actions, if any, can not be determined as to the financial effect of the City.

The City is a plaintiff in action against Fulton County, Georgia (the "County") alleging breach of contract and duties relative to agreements entered into by the parties for the construction, maintenance, operation and expansion of a sewage treatment plant intended to serve all parties. According to the plaintiffs, the agreements set forth provisions for sharing the cost of construction of the plant and methods for allocating operations and maintenance costs. At some point subsequent to executing the agreements, the County, according to the complaint filed by the plaintiffs, assumed sole ownership rights to the plant, subsequently sold excess capacity to other municipalities within the county, and billed the plaintiffs under methods inconsistent with the proportional use of the facility.

The plaintiffs are seeking declaratory judgment on several issues, including that the various agreements entered into by the parties are valid and enforceable contracts; that the County wrongly sold portions of the plant to other municipalities; that the County has improperly billed the plaintiffs; that they are entitled to shares of the monies received from the other municipalities utilizing the plant and that the percentages used in allocating operations and maintenance costs should be adjusted due to the additional users of the plant. The City has been pursuing a negotiated settlement for over 15 years. The City shows the value of the services as determined by the County as a contract claim payable of \$368,278 in the proprietary funds statement of position.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 4 - Other Notes (Continued)

4-D. Joint Venture

The City participates in the following joint venture.

Atlanta Regional Commission (ARC) – Under Georgia law, the City, in conjunction with other counties and cities within the metropolitan Atlanta area, is a member of the Atlanta Regional Commission (ARC), the Regional Commission (RC) for the metropolitan Atlanta area. By agreement with the ARC, dues for cities within Fulton County, outside the City of Atlanta, are paid by Fulton County on a per capita basis. Also by agreement with ARC, Board representation for cities within south Fulton County is determined by the mayors of the cities in south Fulton County. The mayor of East Point is not the south Fulton County representative on the ARC.

Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

Separately issued financial statements are available at the ARC's administrative office, 40 Courtland Street, N.E., Atlanta, Georgia 30303.

4-E. Related Organization – The City has a limited relationship with the following organization:

Housing Authority of the City of East Point – The Housing Authority of the City of East Point (the “Housing Authority”) is considered a related organization and not incorporated into the reporting entity. The Housing Authority is a legally separate entity from the City, having a board composed of members originally appointed by the mayor of the City. The City is not able to impose its will upon the Housing Authority and a financial burden/benefit relationship does not exist between them. Therefore, based on these criteria, the Housing Authority is a related organization. The Housing Authority issues separate financial statements.

Atlanta Housing Authority – the City Council appoints one member of the Atlanta Housing Authority and that is the extent of their involvement.

Note 4-F. – Restatement of financial statements

The 2023 financial statements have been restated to correct some report drafting errors discovered shortly after issuance. Specifically, an Internal Balance receivable in the amount of \$704,679 was reported on the Statement of Net Position when the amount was zero. The internal balance was eliminated from the total primary government column of the Statement of Net Position. Also on the Statement of Net Position, unearned revenue in governmental activities was reduced by \$529.289. The \$529,289 is a general fund interfund receivable that had been reported on the wrong line. These changes have been reflected in the Governmental Funds Balance Sheet and in all other relevant footnotes and schedules.

4-G. Subsequent Events

American Rescue Plan Act (ARPA) - During the fiscal year, the City was awarded ARPA grant funds from the U.S. Treasury department in the amount of \$13,023,592. Treasury made payments to States from the Local Fiscal Recovery Fund for distribution to municipalities with fewer than 50,000 residents in two tranches, with the second tranche payment to be made no earlier than 12 months after the date on which the First Tranche payment is paid to the State. The City received the first tranche amount of \$6,511,796 in the beginning of fiscal year 2022 and the balance of \$6,511,796 in fiscal year 2023.

CITY OF EAST POINT, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

Note 4 - Other Notes (Continued)

Georgia Environmental Finance Authority (GEFA) Loans - The City pursued and secured funding from the State of Georgia Environmental Finance Authority for water and sewer projects. The liabilities for these loans will be recorded when the funds are drawn. The City was approved for \$5,400,000 in GEFA Loans and beginning in fiscal year 2024, the City has requested drawdowns totaling \$2,263,063.

Management has evaluated subsequent events through October 3, 2025, the date on which the financial statements were available to be issued and identified no other events requiring recording or disclosure in the financial statements for the fiscal year ended June 30, 2023.

4-H. Prior Period Adjustment - Capital Assets

The City performed a physical inventory count with the assistance of a capital asset inventory advisory service firm. The physical inventory count revealed obsolete and fully depreciated capital assets that were not in service. The count also revealed that not all of the capital assets were reported on the financial statements of the City in the correct funds. The City overstated the net values of capital assets by \$10,110,361 for the business-type activities funds and \$183,503 for the governmental activities at June 30, 2022. The net position at the beginning of the year has been restated to properly record this activity and the amounts are reflected as the correction of prior period errors on the statement of activities.

**REQUIRED SUPPLEMENTARY
INFORMATION**
(Unaudited)

CITY OF EAST POINT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
For the years ended December 31,

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 3,377,795	\$ 3,644,550	\$ 3,667,163	\$ 3,025,236	\$ 2,846,462	\$ 2,437,624	\$ 2,385,490	\$ 2,154,952	\$ 2,121,348
Interest on total pension liability	10,046,115	10,518,850	10,407,488	9,621,277	9,111,728	9,188,599	9,085,741	8,977,933	8,790,749
Benefit changes	-	58,056	-	-	-	704	-	-	-
Difference in expected and actual experience	2,372,474	(4,968,273)	(1,843,291)	1,534,433	1,596,897	(372,584)	(1,068,659)	(1,486,574)	-
Change of assumptions	-	(7,593,836)	-	22,472,248	2,602,205	-	-	-	-
Benefit payments	(9,938,448)	(10,973,170)	(8,932,789)	(8,584,567)	(8,969,433)	(8,148,374)	(7,948,806)	(7,818,041)	(7,653,160)
Refund of contributions	(802,992)	(797,850)	(516,930)	(579,462)	(1,031,489)	(1,467,896)	(689,950)	(514,762)	(1,074,881)
Net change in total pension liability	5,054,944	(10,111,673)	2,781,641	27,489,165	6,156,370	1,638,073	1,763,816	1,313,508	2,184,056
Total pension liability - beginning	148,886,652	158,998,325	156,216,684	128,727,519	122,571,149	120,933,076	119,169,260	117,855,752	115,671,696
Total pension liability - ending (a)	153,941,596	148,886,652	158,998,325	156,216,684	128,727,519	122,571,149	120,933,076	119,169,260	117,855,752
Plan net position									
Contributions - employer	\$ 9,442,227	\$ 8,407,637	\$ 9,322,981	\$ 8,975,650	\$ 9,127,127	\$ 8,628,709	\$ 8,674,036	\$ 9,504,258	\$ 9,178,327
Contributions - participant	1,462,562	1,326,841	1,446,435	1,254,455	1,265,307	1,189,472	1,356,521	1,126,534	1,056,133
Net investment income	(20,722,254)	23,935,895	15,778,806	21,579,667	(2,420,856)	13,702,310	8,210,957	(471,734)	5,165,761
Benefit payments	(802,992)	(10,973,170)	(8,932,789)	(8,584,567)	(8,969,433)	(8,148,374)	(7,948,806)	(7,818,041)	(7,653,160)
Administrative expenses	(252,259)	(265,052)	(204,572)	(239,679)	(261,834)	(275,589)	(250,881)	(257,170)	(263,308)
Refunds of contributions	(9,938,448)	(797,850)	(516,930)	(579,462)	(1,031,489)	(1,467,896)	(689,950)	(514,762)	(1,074,881)
Net change in fiduciary net position	(20,811,164)	21,634,301	16,893,931	22,406,064	(2,291,178)	13,628,632	9,351,877	1,569,085	6,408,872
Plan fiduciary net position - beginning	162,193,368	140,559,067	123,665,136	101,259,072	103,550,250	89,921,618	80,569,741	79,000,656	72,591,784
Plan fiduciary net position - ending (b)	\$ 141,382,204	\$ 162,193,368	\$ 140,559,067	\$ 123,665,136	\$ 101,259,072	\$ 103,550,250	\$ 89,921,618	\$ 80,569,741	\$ 79,000,656
Net pension liability - ending (a)-(b)	\$ 12,559,392	\$ (13,306,716)	\$ 18,439,258	\$ 32,551,548	\$ 27,468,447	\$ 19,020,899	\$ 31,011,458	\$ 38,599,519	\$ 38,855,096
Plan net position as a percentage of the total pension liability	91.84 %	108.94 %	88.40 %	79.16 %	78.66 %	84.48 %	74.36 %	67.61 %	67.03 %
Covered payroll	24,376,029	21,716,250	23,603,479	22,125,150	20,545,009	19,192,214	19,171,323	17,949,686	17,920,581
Net pension liability as percentage of covered employee payroll	51.52 %	(61.28)%	78.12 %	147.12 %	133.70 %	99.11 %	161.76 %	215.04 %	216.82 %

Note to the Schedule:

The schedule will present 10 years of information, as the information becomes available.

CITY OF EAST POINT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
RETIREMENT PLAN
For the years ended December 31,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 9,442,227	\$ 8,407,637	\$ 9,322,981	\$ 8,975,650	\$ 9,127,127	\$ 8,628,709	\$ 8,674,036	\$ 9,504,258	\$ 9,178,327	\$ 9,585,811
Actual employer contribution	<u>9,442,227</u>	<u>8,407,637</u>	<u>9,322,981</u>	<u>8,975,650</u>	<u>9,127,127</u>	<u>8,628,709</u>	<u>8,674,036</u>	<u>9,504,258</u>	<u>9,178,327</u>	<u>9,585,811</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Covered payroll	\$24,376,029	\$21,716,250	\$23,603,479	\$22,125,150	\$20,545,009	\$19,192,214	\$19,171,323	\$17,949,686	\$17,920,581	\$17,732,754
Contributions as a percentage of covered payroll	38.74 %	38.72 %	39.50 %	40.57 %	44.43 %	44.96 %	45.24 %	52.95 %	51.22 %	54.06 %

Notes to the Schedule of Contributions:

A. Changes of benefit terms:

Effective January 1, 2017, Class 5 members are fully vested upon completion of ten years of service regardless of age.
 Effective January 1, 2022, the accrued benefit for City Council members was increased to \$45 per month per year of service.

B. Changes of Assumptions:

Effective January 1, 2018, the assumed Cost of Living Adjustment was changed to 2.25%
 Effective January 1, 2020, the assumed mortality tables have been updated to the gender specific PUB-2010 Headcount Weighted Above Median Tables, generational mortality using MP-2019 mortality improvement projection scale.
 Effective January 1, 2020, the discount rate was changed to 6.87%.
 Effective January 1, 2022, the assumed mortality tables have been updated to the gender specific PUB-2010 Headcount Weighted Tables, generational mortality using MP-2020 mortality improvement projection scale.
 Effective January 1, 2022, the discount rate was changed to 7.00%.

C. Methods and assumptions used in calculations of actuarially determined contributions:

Valuation date	January 1, 2022
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	2 years
Asset valuation method	5 year smoothed market
Inflation	2.25%
Salary increases	3.50%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

CITY OF EAST POINT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
RETIREMENT PLAN
For the years ended December 31,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return	(12.13)%	17.90 %	13.40 %	22.20 %	(1.80)%	16.10 %	11.00 %	(0.10)%	7.70 %	19.80 %

CITY OF EAST POINT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
For the years ended June 30,

Schedule of Changes in Total OPEB Liability - A 10 year schedule of changes in total OPEB liability and related ratios is intended in the following table. Additional final years will be added in the future as the information becomes available.

	2023	2022	2021	2020	2019	2018
Normal cost	\$ 2,555,338	\$ 2,430,930	\$ 1,872,539	\$ 1,336,395	\$ 947,883	\$ 1,160,443
Interest on normal costs	821,968	778,345	1,395,822	1,176,486	983,394	847,850
Difference between expected and actual experience	(16,898,355)	-	(12,543,794)	-	3,320,675	-
Changes of assumptions	(1,413,487)	422,616	5,471,121	7,663,635	(2,051,093)	(1,976,437)
Benefit payments	<u>(618,597)</u>	<u>(546,880)</u>	<u>(524,008)</u>	<u>(555,476)</u>	<u>(605,393)</u>	<u>(546,988)</u>
Net change in total OPEB obligation	(15,553,133)	3,085,011	(4,328,320)	9,621,040	2,595,466	(515,132)
Total OPEB obligation, beginning of fiscal year	38,899,329	35,814,318	40,142,638	30,521,598	27,926,132	28,441,264
Total OPEB obligation, end of fiscal year	<u>23,346,196</u>	<u>38,899,329</u>	<u>35,814,318</u>	<u>40,142,638</u>	<u>30,521,598</u>	<u>27,926,132</u>
Covered payroll	\$ 28,127,170	\$ 25,331,502	\$ 24,474,881	\$ 24,311,172	\$ 19,568,580	\$ 19,192,214
Total OPEB Liability as a percentage of covered-employee payroll	83.00 %	153.56 %	146.33 %	165.12 %	155.97 %	145.51 %

Per the criteria in GASB No. 75, paragraph 4, no assets are accumulated in a trust to pay related benefits for the City's OPEB plan.

CITY OF EAST POINT, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 35,241,984	\$ 38,641,984	\$ 40,069,957	\$ 1,427,973
Licenses and permits	2,707,836	2,707,736	3,231,258	523,522
Charges for services	472,800	475,500	805,498	329,998
Fines and forfeitures	600,000	600,000	652,417	52,417
Investment earnings	25,000	25,000	17,383	(7,617)
Miscellaneous	<u>1,386,000</u>	<u>2,364,969</u>	<u>738,770</u>	<u>(1,626,199)</u>
Total revenues	<u>40,433,620</u>	<u>44,815,189</u>	<u>45,515,283</u>	<u>700,094</u>
Expenditures				
Current				
General governments				
City Council	825,736	1,094,536	1,062,829	31,707
Executive	4,586,792	6,064,238	4,524,761	1,539,477
Administrative	9,513,359	8,410,407	9,895,842	(1,485,435)
Less cost allocations to utilities	(8,945,194)	(8,945,194)	(7,088,673)	(1,856,521)
Judicial	1,058,989	1,099,089	1,108,898	(9,809)
Public safety				
Police, jail, and code enforcement	13,635,779	15,582,920	16,023,606	(440,686)
Fire	8,675,745	9,918,293	10,316,091	(397,798)
Public works	2,114,202	2,379,866	2,152,238	227,628
Culture and recreation	1,361,765	1,812,326	2,105,466	(293,140)
Economic and community development				
Community services	1,411,186	1,410,036	1,328,376	81,660
Economic development	888,520	7,973,475	7,897,445	76,030
Debt service				
Principal retirements	295,000	95,000	166,773	(71,773)
Interest and fiscal charges	35,000	-	14,390	(14,390)
Total expenditures	<u>35,456,879</u>	<u>46,894,992</u>	<u>49,508,042</u>	<u>(2,613,050)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,976,741</u>	<u>(2,079,803)</u>	<u>(3,992,759)</u>	<u>(1,912,956)</u>
Other financing sources (uses)				
Transfer in	1,587,077	9,170,882	5,983,509	(3,187,373)
Transfer out	(5,290,583)	(7,076,720)	(7,344,991)	(268,271)
Proceeds from sale of capital assets	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Total other financing sources (uses)	<u>(3,678,506)</u>	<u>2,119,162</u>	<u>(1,361,482)</u>	<u>(3,480,644)</u>
Net change in fund balances	<u>\$ 1,298,235</u>	<u>\$ 39,359</u>	<u>(5,354,241)</u>	<u>\$ (5,393,600)</u>
Fund balance, beginning of fiscal year			<u>25,449,275</u>	
Fund balance, end of fiscal year			<u>\$ 20,095,034</u>	

T-SPLIST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 7,998,392	\$ 7,998,392	\$ 7,580,828	\$ 7,163,264
Total revenues	<u>7,998,392</u>	<u>7,998,392</u>	<u>7,580,828</u>	<u>7,163,264</u>
Expenditures				
Capital outlay	7,998,392	7,998,392	3,568,165	4,430,227
Total expenditures	<u>7,998,392</u>	<u>7,998,392</u>	<u>3,568,165</u>	<u>4,430,227</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,012,663</u>	<u>11,593,491</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	4,012,663	<u>\$ 11,593,491</u>
Fund balance, beginning of fiscal year			<u>16,563,930</u>	
Fund balances, end of fiscal year			<u>\$ 20,576,593</u>	

CITY OF EAST POINT, GEORGIA
RESTRICTED GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$ 19,502,234</u>	<u>\$ 19,502,234</u>	<u>\$ 7,444,201</u>	<u>\$ (12,058,033)</u>
Total Revenues	<u>19,502,234</u>	<u>19,502,234</u>	<u>7,444,201</u>	<u>(12,058,033)</u>
Expenditures				
Current				
General government	6,723,707	6,723,707	464,834	6,258,873
Public works	2,695,175	2,695,175	345,971	2,349,204
Culture and recreation	276,357	276,357	267,218	9,139
Economic and community development	<u>9,806,995</u>	<u>9,806,995</u>	<u>108,219</u>	<u>9,698,776</u>
Total expenditures	<u>19,502,234</u>	<u>19,502,234</u>	<u>1,186,242</u>	<u>18,315,992</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>6,257,959</u>	<u>\$ 6,257,959</u>
Fund balance, beginning of fiscal year			<u>958,348</u>	
Fund balance, end of fiscal year			<u>\$ 7,216,307</u>	

SUPPLEMENTARY INFORMATION

CITY OF EAST POINT, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
COMBINING BALANCE SHEET
June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 1,803,194	\$ 1,803,194
Restricted cash and cash equivalents	10,890,056	905,088	6,883,148	18,678,292
Receivables:				
Accounts	498,550	-	-	498,550
Property taxes	-	93,553	34,319	127,872
Intergovernmental	<u>202,832</u>	<u>-</u>	<u>-</u>	<u>202,832</u>
Total assets	<u>\$ 11,591,438</u>	<u>\$ 998,641</u>	<u>\$ 8,720,661</u>	<u>\$ 21,310,740</u>
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 983,194	\$ -	\$ 551,217	\$ 1,534,411
Accrued expenditures	26,578	-	-	26,578
Accrued interest payable	-	14,882	-	14,882
Interfund payable	529,289	-	-	529,289
Unearned revenues	<u>-</u>	<u>116,941</u>	<u>-</u>	<u>116,941</u>
Total liabilities	<u>1,539,061</u>	<u>131,823</u>	<u>551,217</u>	<u>2,222,101</u>
Fund balances				
Restricted for:				
Capital projects	3,044,873	-	8,169,444	11,214,317
Tourism	1,915,109	-	-	1,915,109
Debt service	-	866,818	-	866,818
Public safety	<u>5,092,395</u>	<u>-</u>	<u>-</u>	<u>5,092,395</u>
Total fund balances	<u>10,052,377</u>	<u>866,818</u>	<u>8,169,444</u>	<u>19,088,639</u>
Total liabilities and fund balances	<u>\$ 11,591,438</u>	<u>\$ 998,641</u>	<u>\$ 8,720,661</u>	<u>\$ 21,310,740</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ 5,131,886	\$ 100,276	\$ 5,232,162
Hotel-motel taxes	5,596,291	-	-	5,596,291
Intergovernmental	49,641	-	-	49,641
Charges for services	756,795	-	222,616	979,411
Fines and forfeitures	3,669	-	-	3,669
Investment earnings	89,891	115,002	-	204,893
Miscellaneous	<u>20,640</u>	<u>-</u>	<u>-</u>	<u>20,640</u>
Total revenues	<u>6,516,927</u>	<u>5,246,888</u>	<u>322,892</u>	<u>12,086,707</u>
Expenditures				
Current				
General government	2,470,900	-	693,028	3,163,928
Public safety	1,590,066	-	-	1,590,066
Economic and community development	-	-	-	-
Capital outlay	-	-	2,776,928	2,776,928
Debt service				
Principal payments	115,000	600,000	-	715,000
Interest and fiscal charges	<u>539,825</u>	<u>41,438</u>	<u>-</u>	<u>581,263</u>
Total expenditures	<u>4,715,791</u>	<u>641,438</u>	<u>3,469,956</u>	<u>8,827,185</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,801,136</u>	<u>4,605,450</u>	<u>(3,147,064)</u>	<u>3,259,522</u>
Other financing sources (uses)				
Transfers in	3,538,891	-	2,969,674	6,508,565
Transfers out	<u>(2,164,071)</u>	<u>(10,882,344)</u>	<u>(2,135,668)</u>	<u>(15,182,083)</u>
Total other financing sources (uses)	<u>1,374,820</u>	<u>(10,882,344)</u>	<u>834,006</u>	<u>(8,673,518)</u>
Net change in fund balances	3,175,956	(6,276,894)	(2,313,058)	(5,413,996)
Fund balances, beginning of fiscal year	<u>6,876,421</u>	<u>7,143,712</u>	<u>10,482,502</u>	<u>24,502,635</u>
Fund balances, end of fiscal year	<u>\$ 10,052,377</u>	<u>\$ 866,818</u>	<u>\$ 8,169,444</u>	<u>\$ 19,088,639</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2023

	City Hall Fund	Hotel/Motel Tax	Police Grants	Confiscated Assets	Enhanced 911	Urban Redevelopment	Total Nonmajor Special Revenue Funds
Assets							
Restricted cash and cash equivalents	\$ 2,942,555	\$ 2,336,820	\$ -	\$ 1,549,758	\$ 3,950,373	\$ 110,550	\$ 10,890,056
Receivables							
Accounts		498,550					498,550
Intergovernmental		-	202,832	-	-	-	202,832
Total assets	\$ 2,942,555	\$ 2,835,370	\$ 202,832	\$ 1,549,758	\$ 3,950,373	\$ 110,550	\$ 11,591,438
Liabilities and fund balances							
Liabilities							
Accounts payable	\$ -	\$ 920,261	\$ 26,841	\$ 29,673	\$ 1,547	\$ 4,872	\$ 983,194
Accrued expenditures		3,360					26,578
Interfund payable		-	-	-	529,289	-	529,289
Total liabilities	3,360	920,261	26,841	29,673	554,054	4,872	1,539,061
Fund balances							
Restricted for							
Capital projects	2,939,195	-	-	-	-	105,678	3,044,873
Tourism	-	1,915,109	-	-	-	-	1,915,109
Public safety	-	-	175,991	1,520,085	3,396,319	-	5,092,395
Total fund balances	2,939,195	1,915,109	175,991	1,520,085	3,396,319	105,678	10,052,377
Total liabilities and fund balances	\$ 2,942,555	\$ 2,835,370	\$ 202,832	\$ 1,549,758	\$ 3,950,373	\$ 110,550	\$ 11,591,438

CITY OF EAST POINT, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2023

	City Hall Fund	Hotel/Motel Tax	Police Grants	Confiscated Assets	Enhanced 911	Urban Redevelopment	Total Nonmajor Special Revenue Funds
Revenues							
Hotel-motel taxes	\$ -	\$ 5,596,291	\$ -	\$ -	\$ -	\$ -	\$ 5,596,291
Intergovernmental	-	-	49,641	-	-	-	49,641
Charges for services	-	-	-	-	756,795	-	756,795
Fines and forfeitures	-	-	-	3,669	-	-	3,669
Investment earnings	89,891	-	-	-	-	-	89,891
Miscellaneous	-	-	-	20,640	-	-	20,640
Total Revenues	89,891	5,596,291	49,641	24,309	756,795	-	6,516,927
Expenditures							
Current							
General government	-	2,465,578	-	-	-	5,322	2,470,900
Public safety	-	-	110,728	132,230	1,347,108	-	1,590,066
Debt service							
Principal payments	115,000	-	-	-	-	-	115,000
Interest payments	539,825	-	-	-	-	-	539,825
Total expenditures	654,825	2,465,578	110,728	132,230	1,347,108	5,322	4,715,791
Excess (deficiency) of revenues over (under) expenditures	(564,934)	3,130,713	(61,087)	(107,921)	(590,313)	(5,322)	1,801,136
Other financing sources (uses)							
Transfers in/bond proceeds	2,469,831	-	50,900	50,000	857,160	111,000	3,538,891
Transfers out	-	(2,099,092)	-	(64,979)	-	-	(2,164,071)
Total other financing sources (uses)	2,469,831	(2,099,092)	50,900	(14,979)	857,160	111,000	1,374,820
Net change in fund balances	1,904,897	1,031,621	(10,187)	(122,900)	266,847	105,678	3,175,956
Fund balances, beginning of fiscal year	1,034,298	883,488	186,178	1,642,985	3,129,472	-	6,876,421
Fund balances, end of fiscal year	\$ 2,939,195	\$ 1,915,109	\$ 175,991	\$ 1,520,085	\$ 3,396,319	\$ 105,678	\$ 10,052,377

CITY OF EAST POINT, GEORGIA
CITY HALL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues				
Investment earnings	\$ -	\$ 89,891	\$ 89,891	\$ -
Total revenues	<u>-</u>	<u>89,891</u>	<u>89,891</u>	<u>-</u>
Expenditures				
Current				
General government		88,390		88,390
Debt service				
Principal retirement	115,000	115,000	115,000	-
Interest and fiscal charges	539,825	541,326	539,825	1,501
Total expenditures	<u>654,825</u>	<u>744,716</u>	<u>654,825</u>	<u>89,891</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(654,825)</u>	<u>(654,825)</u>	<u>(564,934)</u>	<u>(89,891)</u>
Other financing sources				
Transfers in	654,825	654,825	2,469,831	1,815,006
Total other financing sources	<u>654,825</u>	<u>654,825</u>	<u>2,469,831</u>	<u>1,815,006</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,904,897</u>	<u>\$ 1,904,897</u>
Fund balance, beginning of the fiscal year			<u>1,034,298</u>	
Fund balance, end of the fiscal year			<u>\$ 2,939,195</u>	

CITY OF EAST POINT, GEORGIA
HOTEL-MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Hotel-motel taxes	\$ 4,232,204	\$ 5,608,044	\$ 5,596,291	(11,753)
Total revenue	<u>4,232,204</u>	<u>5,608,044</u>	<u>5,596,291</u>	<u>(11,753)</u>
Expenditures				
Current				
Economic development	2,645,127	3,505,027	2,465,578	1,039,449
Total expenditures	<u>2,645,127</u>	<u>3,505,027</u>	<u>2,465,578</u>	<u>1,039,449</u>
Excess of revenues over expenditures	<u>1,587,077</u>	<u>2,103,017</u>	<u>3,130,713</u>	<u>1,027,696</u>
Other financing uses				
Transfers out	(1,587,077)	(2,103,017)	(2,099,092)	3,925
Total other financing uses	<u>(1,587,077)</u>	<u>(2,103,017)</u>	<u>(2,099,092)</u>	<u>3,925</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,031,621	<u>\$ 1,031,621</u>
Fund balance, beginning of fiscal year			883,488	
Fund balance, end of fiscal year			<u>\$ 1,915,109</u>	

CITY OF EAST POINT, GEORGIA
POLICE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Intergovernmental	\$ 118,932	\$ 118,932	\$ 49,641	(69,291)
Total revenues	<u>118,932</u>	<u>118,932</u>	<u>49,641</u>	<u>(69,291)</u>
Expenditures				
Current				
Public safety	118,932	118,932	110,728	8,204
Total expenditures	<u>118,932</u>	<u>118,932</u>	<u>110,728</u>	<u>8,204</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(61,087)</u>	<u>(61,087)</u>
Other financing sources				
Transfers in	<u>-</u>	<u>-</u>	<u>50,900</u>	<u>50,900</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>50,900</u>	<u>50,900</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(10,187)</u>	<u>\$ (10,187)</u>
Fund balances, beginning of fiscal year			<u>186,178</u>	
Fund balances, end of fiscal year			<u>\$ 175,991</u>	

CITY OF EAST POINT, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Fines and forfeitures	\$ 200,000	\$ 200,000	\$ 3,669	\$ (196,331)
Miscellaneous	-	-	20,640	20,640
Total revenue	200,000	200,000	24,309	(175,691)
Expenditure				
Current				
Public safety	257,735	192,756	132,230	60,526
Total expenditures	257,735	192,756	132,230	60,526
Excess (deficiency) of revenues over (under) expenditures	(57,735)	7,244	(107,921)	(115,165)
Other financing sources				
Transfers in	57,735	57,735	50,000	(7,735)
Transfers (out)	-	(64,979)	(64,979)	-
Total other financing sources	57,735	(7,244)	(14,979)	(7,735)
Net change in fund balance	\$ -	\$ -	(122,900)	\$ (122,900)
Fund balances, beginning of fiscal year			1,642,985	
Fund balances, end of fiscal year			\$ 1,520,085	

CITY OF EAST POINT, GEORGIA
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Charges for services	\$ 669,627	\$ 669,627	\$ 756,795	\$ 87,168
Total revenues	<u>669,627</u>	<u>669,627</u>	<u>756,795</u>	<u>87,168</u>
Expenditures				
Current				
Public safety	1,526,787	1,526,787	1,347,108	179,679
Excess (deficiency) of revenues over (under) expenditures	<u>(857,160)</u>	<u>(857,160)</u>	<u>(590,313)</u>	<u>266,847</u>
Other financing sources				
Transfers in	857,160	857,160	857,160	-
Total other financing sources	<u>857,160</u>	<u>857,160</u>	<u>857,160</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	266,847	<u>\$ 266,847</u>
Fund balances, beginning of fiscal year				<u>3,129,472</u>
Fund balances, end of fiscal year				<u>\$ 3,396,319</u>

CITY OF EAST POINT, GEORGIA
EAST POINT URBAN REDEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Charge for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
General government	111,000	111,000	5,322	105,678
Total expenditures	<u>111,000</u>	<u>111,000</u>	<u>5,322</u>	<u>105,678</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(111,000)</u>	<u>(111,000)</u>	<u>(5,322)</u>	<u>105,678</u>
Other financing sources				
Transfers in	111,000	111,000	111,000	-
Total other financing sources	<u>111,000</u>	<u>111,000</u>	<u>111,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	105,678	<u>\$ 105,678</u>
Fund balances, beginning of fiscal year				-
Fund balances, end of fiscal year				<u>\$ 105,678</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
June 30, 2023

	Camp Creek Tax Allocations District	East Point Corridors Tax Allocations District	Total Nonmajor Debt Service Funds
Assets			
Restricted cash and cash equivalents	\$ -	\$ 905,088	\$ 905,088
Property taxes receivable	<u> - </u>	<u> 93,553 </u>	<u> 93,553 </u>
Total assets	<u> \$ - </u>	<u> \$ 998,641 </u>	<u> \$ 998,641 </u>
Liabilities and fund balances			
Liabilities			
Accrued interest payable	\$ -	\$ 14,882	\$ 14,882
Unearned revenue	<u> - </u>	<u> 116,941 </u>	<u> 116,941 </u>
Total liabilities	<u> - </u>	<u> 131,823 </u>	<u> 131,823 </u>
Fund balances			
Restricted for capital projects	-	-	-
Restricted for debt service	<u> - </u>	<u> 866,818 </u>	<u> 866,818 </u>
Total fund balances	<u> - </u>	<u> 866,818 </u>	<u> 866,818 </u>
Total liabilities and fund balances	<u> \$ - </u>	<u> \$ 998,641 </u>	<u> \$ 998,641 </u>

CITY OF EAST POINT, GEORGIA
NONMAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2023

	Camp Creek Tax Allocations District	East Point Corridors Tax Allocations District	Total Nonmajor Debt Service Funds
Revenues			
Property taxes	\$ 4,566,812	\$ 565,074	\$ 5,131,886
Investment earnings	<u>93,326</u>	<u>21,676</u>	<u>115,002</u>
Total revenues	<u>4,660,138</u>	<u>586,750</u>	<u>5,246,888</u>
Expenditures			
Current			
Economic and community development	-	-	-
Debt service			
Principal payments	-	600,000	600,000
Interest and service charges	<u>-</u>	<u>41,438</u>	<u>41,438</u>
Total expenditures	<u>-</u>	<u>641,438</u>	<u>641,438</u>
Excess (deficiency) of revenues over (under) expenditures	4,660,138	(54,688)	4,605,450
Other financing sources (uses)			
Transfers out	<u>(10,882,344)</u>	<u>-</u>	<u>(10,882,344)</u>
Total other financing sources (uses)	<u>(10,882,344)</u>	<u>-</u>	<u>(10,882,344)</u>
Net change in fund balances	(6,222,206)	(54,688)	(6,276,894)
Fund balances, beginning of fiscal year	<u>6,222,206</u>	<u>921,506</u>	<u>7,143,712</u>
Fund balances, end of fiscal year	<u>\$ -</u>	<u>\$ 866,818</u>	<u>\$ 866,818</u>

CITY OF EAST POINT, GEORGIA
CAMP CREEK TAX ALLOCATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Property taxes	\$ -	\$ 4,566,800	\$ 4,566,812	\$ 12
Investment earnings	<u>-</u>	<u>93,326</u>	<u>93,326</u>	<u>-</u>
Total revenues	<u>-</u>	<u>4,660,126</u>	<u>4,660,138</u>	<u>12</u>
Expenditures				
Current				
Economic and community development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues (over) under expenditures	-	4,660,126	4,660,138	12
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>(11,743,931)</u>	<u>(10,882,344)</u>	<u>861,587</u>
Total other financing sources (uses)	<u>-</u>	<u>(11,743,931)</u>	<u>(10,882,344)</u>	<u>861,587</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (7,083,805)</u>	<u>(6,222,206)</u>	<u>\$ 861,599</u>
Fund balance, beginning of fiscal year			<u>6,222,206</u>	
Fund balance, end of fiscal year			<u>\$ -</u>	

CITY OF EAST POINT, GEORGIA
EAST POINT CORRIDORS TAX ALLOCATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenue				
Property taxes	\$ 64,500	\$ 561,470	\$ 565,074	\$ 3,604
Investment earnings	-	-	21,676	21,676
Total revenues	<u>64,500</u>	<u>561,470</u>	<u>586,750</u>	<u>25,280</u>
Expenditures				
Debt Service				
Principal	-	496,970	600,000	(103,030)
Interest and fiscal changes	<u>64,500</u>	<u>64,500</u>	<u>41,438</u>	<u>23,062</u>
Total expenditures	<u>64,500</u>	<u>561,470</u>	<u>641,438</u>	<u>(79,968)</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(54,688)</u>	<u>\$ (54,688)</u>
Fund balances, beginning of fiscal year			<u>921,506</u>	
Fund balances, end of fiscal year			<u>\$ 866,818</u>	

CITY OF EAST POINT, GEORGIA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2023

	Capital Project Fund	Bond Construction Fund	Government Center Construction Fund	50 Worst Properties Fund	Total Nonmajor Governmental Fund
Assets					
Cash and cash equivalents	\$ 641,972	\$ -	\$ -	\$1,161,222	\$ 1,803,194
Restricted cash and cash equivalents	-	40,250	6,842,898	-	6,883,148
Property taxes receivable	-	-	-	34,319	34,319
Intergovernmental receivable	-	-	-	-	-
Total assets	<u>\$ 641,972</u>	<u>\$ 40,250</u>	<u>\$ 6,842,898</u>	<u>\$1,195,541</u>	<u>\$ 8,720,661</u>
Liabilities and fund balances					
Liabilities					
Accounts payable	438,097	-	-	113,120	551,217
Contract retainage payable	-	-	-	-	-
Total liabilities	<u>438,097</u>	<u>-</u>	<u>-</u>	<u>113,120</u>	<u>551,217</u>
Fund balances					
Restricted for capital projects	<u>203,875</u>	<u>40,250</u>	<u>6,842,898</u>	<u>1,082,421</u>	<u>8,169,444</u>
Total fund balances	<u>203,875</u>	<u>40,250</u>	<u>6,842,898</u>	<u>1,082,421</u>	<u>8,169,444</u>
Total liabilities and fund balances	<u>\$ 641,972</u>	<u>\$ 40,250</u>	<u>\$ 6,842,898</u>	<u>\$1,195,541</u>	<u>\$ 8,720,661</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2023

	Capital Project Fund	Bond Construction Fund	Government Center Construction Fund	50 Worst Properties Fund	Total Nonmajor Governmental Fund
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 100,276	\$ 100,276
Charge for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>222,616</u>	<u>222,616</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,892</u>	<u>322,892</u>
Expenditures					
Current					
General government		-	-	693,028	693,028
Capital outlay	<u>2,766,029</u>	<u>-</u>	<u>-</u>	<u>10,899</u>	<u>2,776,928</u>
Total expenditures	<u>2,766,029</u>	<u>-</u>	<u>-</u>	<u>703,927</u>	<u>3,469,956</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,766,029)</u>	<u>-</u>	<u>-</u>	<u>(381,035)</u>	<u>(3,147,064)</u>
Other financing sources					
Transfers in	2,416,655	-	-	553,019	2,969,674
Transfers out	<u>(2,085,668)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(2,135,668)</u>
Total other financing sources	<u>330,987</u>	<u>-</u>	<u>-</u>	<u>503,019</u>	<u>834,006</u>
Net change in fund balances	(2,435,042)	-	-	121,984	(2,313,058)
Fund balances, beginning of fiscal year	<u>2,638,917</u>	<u>40,250</u>	<u>6,842,898</u>	<u>960,437</u>	<u>10,482,502</u>
Fund balances, end of fiscal year	<u>\$ 203,875</u>	<u>\$ 40,250</u>	<u>\$ 6,842,898</u>	<u>\$ 1,082,421</u>	<u>\$ 8,169,444</u>

CITY OF EAST POINT, GEORGIA
CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the fiscal year ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Capital outlay	2,116,676	4,663,770	2,766,029	1,897,741
Total expenditures	<u>2,116,676</u>	<u>4,663,770</u>	<u>2,766,029</u>	<u>1,897,741</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,116,676)</u>	<u>(4,663,770)</u>	<u>(2,766,029)</u>	<u>(1,897,741)</u>
Other financing sources				
Transfers in	2,116,676	4,663,770	2,416,655	2,247,115
Transfers out	-	-	(2,085,668)	(2,085,668)
Total other financing sources	<u>2,116,676</u>	<u>4,663,770</u>	<u>330,987</u>	<u>161,447</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(2,435,042)</u>	<u>\$ (1,736,294)</u>
Fund balance, beginning of the fiscal year			<u>2,638,917</u>	
Fund balance, end of the fiscal year			<u>\$ 203,875</u>	

CITY OF EAST POINT, GEORGIA
50 WORST PROPERTIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 35,000	\$ 85,000	\$ 100,276	\$ 15,276
Charge for services	<u>100,000</u>	<u>200,000</u>	<u>222,616</u>	<u>22,616</u>
Total revenues	<u>135,000</u>	<u>285,000</u>	<u>322,892</u>	<u>37,892</u>
Expenditures				
Current				
General government	644,019	737,019	693,028	43,991
Capital outlay	<u>44,000</u>	<u>51,000</u>	<u>10,899</u>	<u>40,101</u>
Total expenditures	<u>688,019</u>	<u>788,019</u>	<u>703,927</u>	<u>84,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(553,019)</u>	<u>(503,019)</u>	<u>(381,035)</u>	<u>121,984</u>
Other financing sources				
Transfers in	553,019	553,019	553,019	-
Transfers out	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources	<u>553,019</u>	<u>503,019</u>	<u>503,019</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>121,984</u>	<u>\$ 121,984</u>
Fund balances, beginning of fiscal year			<u>960,437</u>	
Fund balances, end of fiscal year			<u>\$ 1,082,421</u>	

CITY OF EAST POINT, GEORGIA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2023

	Storm Water Fund	Solid Waste Fund	Total
Assets and deferred outflows of resources			
Current assets			
Cash and cash equivalents	\$ 8,288,016	\$ 290,400	\$ 8,578,416
Accounts receivable	648,024	835,727	1,483,751
Accrued revenue	-	20,023	20,023
Prepaid items	164,198	281,483	445,681
Total current assets	<u>9,100,238</u>	<u>1,427,633</u>	<u>10,527,871</u>
Noncurrent assets			
Capital assets			
Depreciable, net	2,197,240	2,019,231	4,216,471
Total noncurrent assets	<u>2,197,240</u>	<u>2,019,231</u>	<u>4,216,471</u>
Total assets	<u>11,297,478</u>	<u>3,446,864</u>	<u>14,744,342</u>
Deferred outflows of resources			
Difference in pension and OPEB investment earnings	171,686	880,771	1,052,457
Total deferred outflows of resources	<u>171,686</u>	<u>880,771</u>	<u>1,052,457</u>
Total assets and deferred outflows of resources	<u>11,469,164</u>	<u>4,327,635</u>	<u>15,796,799</u>
Liabilities and deferred inflows of resources			
Current liabilities			
Accounts payable	470,356	294,247	764,603
Accrued expense	27,664	67,814	95,478
Compensated absences payable	1,101	72,155	73,256
Financed purchases payable	-	75,940	75,940
Claims payable	467,000	-	467,000
Total current liabilities	<u>966,121</u>	<u>510,156</u>	<u>1,476,277</u>
Long-term liabilities (net of current portion)			
Other post employment benefits payable	175,060	1,406,409	1,581,469
Net pension liabilities	44,719	637,981	682,700
Financed purchases payable	-	292,338	292,338
Total long-term liabilities	<u>219,779</u>	<u>2,336,728</u>	<u>2,556,507</u>
Total liabilities	<u>1,185,900</u>	<u>2,846,884</u>	<u>4,032,784</u>
Deferred inflows of resources			
Difference in pension and OPEB investment earnings and refunding of debt	373,819	1,335,177	1,708,996
Total deferred inflows of resources	<u>373,819</u>	<u>1,335,177</u>	<u>1,708,996</u>
Total liabilities and deferred inflows of resources	<u>1,559,719</u>	<u>4,182,061</u>	<u>5,741,780</u>
Net position			
Net investment in capital assets	2,197,240	1,650,953	3,848,193
Unrestricted	7,712,205	(1,505,379)	6,206,826
Total net position	<u>\$ 9,909,445</u>	<u>\$ 145,574</u>	<u>\$ 10,055,019</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUE EXPENSES AND CHANGES IN NET POSITION/EQUITY
For the fiscal year ended June 30, 2023

	Storm Water Fund	Solid Waste Fund	Total
Operating revenues			
Charges for services, net	\$ 2,247,814	\$ 4,369,264	\$ 6,617,078
Taxes	-	<u>179,482</u>	<u>179,482</u>
Total operating revenues	<u>2,247,814</u>	<u>4,548,746</u>	<u>6,796,560</u>
Operating expenses			
Personal services	426,362	1,533,121	1,959,483
Purchased services	537,895	2,980,591	3,518,486
Cost allocations	187,454	2,168,610	2,356,064
Materials and supplies	11,482	18,541	30,023
Depreciation	<u>257,051</u>	<u>442,119</u>	<u>699,170</u>
Total operating expenses	<u>1,420,244</u>	<u>7,142,982</u>	<u>8,563,226</u>
Operating income (loss)	<u>827,570</u>	<u>(2,594,236)</u>	<u>(1,766,666)</u>
Non-operating revenues (expenses)			
Interest expense	-	<u>(72,753)</u>	<u>(72,753)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>(72,753)</u>	<u>(72,753)</u>
Income (loss) before transfers in (out)	827,570	(2,666,989)	(1,839,419)
Transfers in (out)	-	<u>3,037,074</u>	<u>3,037,074</u>
Changes in fund net position/equity	827,570	370,085	1,197,655
Fund net position/equity, beginning of fiscal year	9,359,262	532,798	9,892,060
Prior period adjustment	<u>(277,387)</u>	<u>(757,309)</u>	<u>(1,034,696)</u>
Fund net position/equity, beginning of fiscal year, restated	<u>9,081,875</u>	<u>(224,511)</u>	<u>8,857,364</u>
Fund net position/equity, end of fiscal year	<u>\$ 9,909,445</u>	<u>\$ 145,574</u>	<u>\$ 10,055,019</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2023

	Storm Water Fund	Solid Waste Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 2,292,650	\$ 4,594,889	\$ 6,887,539
Cash payments for personal services	(500,310)	(1,778,834)	(2,279,144)
Cash payments for goods and services	(379,533)	(2,827,874)	(3,207,407)
Cash payments for interfund services	<u>(187,454)</u>	<u>(2,168,610)</u>	<u>(2,356,064)</u>
Net cash provided by (used in) operating activities	<u>1,225,353</u>	<u>(2,180,429)</u>	<u>(955,076)</u>
Cash flows from noncapital financing activities			
Transfers in (out)	-	<u>3,037,074</u>	<u>3,037,074</u>
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>3,037,074</u>	<u>3,037,074</u>
Cash flows from capital and related financing activities			
Principal payments on financed purchases	(245,520)	(83,518)	(329,038)
Interest paid on financed purchases	-	(72,753)	(72,753)
Payments for capital acquisitions	<u>-</u>	<u>(433,879)</u>	<u>(433,879)</u>
Net cash (used in) capital and related financing activities	<u>(245,520)</u>	<u>(590,150)</u>	<u>(835,670)</u>
Net increase (decrease) in cash and cash equivalents	<u>979,833</u>	<u>266,495</u>	<u>1,246,328</u>
Cash and cash equivalents, beginning of fiscal year	<u>7,308,183</u>	<u>23,905</u>	<u>7,332,088</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 8,288,016</u>	<u>\$ 290,400</u>	<u>\$ 8,578,416</u>

CITY OF EAST POINT, GEORGIA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2023

	Storm Water Fund	Solid Waste Fund	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 827,570	\$ (2,594,236)	\$ (1,766,666)
Adjustments			
Depreciation	257,051	442,119	699,170
(Increase) decrease in assets			
Accounts receivable and accrued revenues	44,836	46,144	90,980
Prepaid items	10,827	(13,929)	(3,102)
Increase (decrease) in liabilities			
Accounts payable	237,001	145,855	382,856
Contract retainage payable	(92,173)	-	(92,173)
Accrued expenses	14,189	39,332	53,521
Compensated absences	(5,737)	(28,688)	(34,425)
Other post employment benefits	(17,723)	(51,958)	(69,681)
Net pension liability	<u>(50,488)</u>	<u>(165,068)</u>	<u>(215,556)</u>
Net cash provided by (used in) operating activities	<u>\$ 1,225,353</u>	<u>\$ (2,180,429)</u>	<u>\$ (955,076)</u>

CITY OF EAST POINT, GEORGIA
SCHEDEULE OF EXPENDITURES OF
SPECIAL DISTRICT MASS TRANSPORTATION SALES AND USE TAX
(T-SPLOST)
For the fiscal year ended June 30, 2023

List of Projects	Original	Revised	Expenditures		
	Estimated Cost (1)	Estimated Cost (1)	Prior fiscal years expenditures	Current fiscal year expenditures	Total expenditures
TIER 1 PURPOSES/PROJECTS					
Administrative (Project Management)	\$ -	\$ 25,000	\$ 23,115	\$ -	\$ 23,115
Maintenance and Safety Enhancements	18,540,200	18,540,200	7,748,586	140,000	7,888,586
Pedestrian/Bike Improvements	7,915,262	7,915,262	7,335,527	1,696,895	9,032,422
Operations and Safety	1,462,500	1,462,500	626,344	536,584	1,162,928
Project Management	890,453	890,453	-	-	-
Emergency/Quick Response	<u>873,355</u>	<u>873,355</u>	<u>481,072</u>	<u>511,457</u>	<u>992,529</u>
TIER 1 TOTAL PURPOSES/PROJECTS	29,681,770	29,706,770	16,214,644	2,884,936	19,099,580
TIER 2 PURPOSES/PROJECTS					
Maintenance and Safety Enhancements	4,408,500	4,408,500	281,055	-	281,055
Pedestrian/Bike Improvements	428,000	428,000	368,789	7,030	375,819
Operations and Safety	237,500	237,500	-	-	-
Project Management	<u>163,960</u>	<u>163,960</u>	<u>-</u>	<u>-</u>	<u>-</u>
TIER 2 TOTAL PURPOSE/PROJECTS	5,237,960	5,237,960	649,844	7,030	656,874
TIER 3 PURPOSES/PROJECTS					
Maintenance and Safety Enhancements	3,375,976	3,375,976	426,025	-	426,025
Operations and Safety	1,700,000	1,700,000	150,412	641,194	791,606
Project Management	<u>182,651</u>	<u>157,651</u>	<u>8,736</u>	<u>35,005</u>	<u>43,741</u>
TIER 3 TOTAL PURPOSE/PROJECTS	5,258,627	5,233,627	585,173	676,199	1,261,372
TOTAL COSTS - ALL PURPOSES TIERS 1-3	<u>\$ 40,178,357</u>	<u>\$ 40,178,357</u>	<u>\$ 17,449,661</u>	<u>\$ 3,568,165</u>	<u>\$ 21,017,826</u>

Notes:

(1) Unaudited