

**COUNCIL WORK SESSION
CITY OF SKY VALLEY, GEORGIA
AUGUST 15, 2023 AT 8:00 AM
3608 HWY 246 (NEW CITY HALL) & VIA TELECONFERENCE (ZOOM)**

AGENDA

- 1. Call to Order**
- 2. Adoption of Agenda**
- 3. Discuss 2022 Audit, Joely Mixon, MMB&T**
- 4. Discuss appointment of Lynn Menard as Sky Valley Country Club representative to the Sky Valley Marketing Committee**
- 5. Discuss proposed STR (Short-term Rental) Ordinance**
- 6. Discuss proposed Fee Ordinance Amendment**
- 7. Discuss proposed Trash Ordinance Amendment**
- 8. Discuss purchase of one (1) 2023 ford Explorer Interceptor police car**
- 9. Adjournment**

You may join the meeting at:

<https://us02web.zoom.us/j/81804907456>

Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the facilities are required to call 706-746-2204 promptly to allow the City to make reasonable accommodations for those persons.

CITY OF SKY VALLEY, GEORGIA
ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2022

DRAFT

**CITY OF SKY VALLEY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022**

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Independent Auditor's Report

Honorable Mayor, Members of the
City Council and City Manager
Of the City of Sky Valley, Georgia

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Schedule of Changes in the City's Net Pension Liability and Related Ratios on page 36, the Schedule of City Contributions on page 37, and the notes to the required supplementary information on page 38, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has chosen to omit Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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. Our opinion on the basic financial statements is not affected by this missing information.

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, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds, as listed in the table of

contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued or report dated August 15, 2023 on our consideration of the City of Sky Valley, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mixon, Mixon, Brown & Tench, CPAs
Cornelia, Georgia
August 15, 2023

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BASIC FINANCIAL STATEMENTS

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**CITY OF SKY VALLEY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and Cash Equivalents	\$ 1,878,315	\$ 1,489,112	\$ 3,367,427
Receivables, net			
Accounts	-	46,703	46,703
Taxes	732,446	-	732,446
Due From Other Governments	49,887	-	49,887
Internal Balances	-	-	-
Prepaid Items	-	-	-
Capital Assets:			
Land, Improvements, and Construction in Progress	326,739	2,222	328,961
Other Capital Assets, net of Depreciation	1,884,042	2,490,680	4,374,722
Total Assets	4,871,429	4,028,717	8,900,146
Deferred Outflows of Resources			
Pension Related Items	54,294	16,218	70,512
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,925,723	\$ 4,044,935	\$ 8,970,658
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities			
Accounts Payable	\$ 56,176	\$ 171,454	\$ 227,630
Accrued Liabilities	-	-	-
Unearned Property Tax Revenue	1,012,475	-	1,012,475
Unearned Grant Revenue	33,918	-	33,918
Customer Deposits Payable	-	12,950	12,950
Compensated Absences:			
Due Within One Year	15,203	6,040	21,243
Due Beyond One Year	16,786	4,346	21,132
Capital Leases:			
Due Within One Year	7,613	-	7,613
Due Beyond One Year	-	-	-
Notes Payable:			
Due Within One Year	-	106,523	106,523
Due Beyond One Year	-	960,992	960,992
Net Pension Liability, Due Beyond One Year	98,892	29,539	128,431
Total Liabilities	1,241,063	1,291,844	2,532,907
Deferred Inflows of Resources			
Pension Related Items	63,272	18,900	82,172
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,304,335	1,310,744	2,615,079
NET POSITION			
Net Invested in Capital Assets	2,203,168	1,425,387	3,628,555
Restricted for:			
Capital Projects	441,226	-	441,226
Grants	1,477	-	1,477
Tourism	59,314	-	59,314
Unrestricted Net Position	916,203	1,308,804	2,225,007
Total Net Position	3,621,388	2,734,191	6,355,579
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 4,925,723	\$ 4,044,935	\$ 8,970,658

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

CITY OF SKY VALLEY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government						
Governmental Activities						
General Government	\$ 368,868	\$ 150,974	\$ 421,488	\$ 205,146	\$ -	\$ 205,146
Public Safety:						
Fire	97,251	-	-	(97,251)	-	(97,251)
Police and Courts	423,423	18,087	-	(362,069)	-	(362,069)
Public Works/Streets	303,281	32,749	-	(270,532)	-	(270,532)
Community Development:						
Parks	5,195	-	-	(5,195)	-	(5,195)
Promotions & Tourism	64,156	-	-	(62,506)	-	(62,506)
Economic Development	15,461	25,000	-	9,539	-	9,539
Housing & Development	27,912	27,937	-	25	-	25
Interest on Long-Term Debt	721	-	-	(721)	-	(721)
Total Governmental Activities	1,306,268	226,810	421,488	(583,564)	-	(583,564)
Business-Type Activities						
Water	521,047	505,146	-	-	(15,901)	(15,901)
Sanitation	239,887	217,547	-	-	(22,340)	(22,340)
Total Business-Type Activities	760,934	722,693	-	-	(38,241)	(38,241)
Total Primary Government	\$ 2,067,202	\$ 797,099	\$ 421,488	(583,564)	(38,241)	(621,805)
General Revenues						
Taxes:						
Property				1,027,426	-	1,027,426
Intangible and Transfer				36,489	-	36,489
Franchise				56,480	-	56,480
Beer and Wine				1,294	-	1,294
Insurance Premium				39,333	-	39,333
Business Taxes				1,150	-	1,150
Hotel/Motel Taxes				99,756	-	99,756
Unrestricted Investment Earnings				1,610	1,381	2,991
Miscellaneous				26,483	-	26,483
Gain on Sale of Assets				-	-	-
Transfers				-	-	-
Total General Revenues and Transfers				1,290,021	1,381	1,291,402
Change in Net Position				706,457	(36,860)	669,597
Net Position - Beginning				2,914,931	2,771,051	5,685,982
Net Position - Ending				\$ 3,621,388	\$ 2,734,191	\$ 6,355,579

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

**CITY OF SKY VALLEY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>Major Governmental Funds</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>SPLOST Capital Projects Fund</u>	<u>TSPLOST Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	
ASSETS					
Cash and Cash Equivalents	\$ 1,386,282	\$ 78,118	\$ 313,221	\$ 100,694	\$ 1,878,315
Receivables, net	732,446	-	-	-	732,446
Intergovernmental Receivables	-	-	49,887	-	49,887
Due From Other Funds	-	-	-	-	-
Prepaid Items	-	-	-	-	-
TOTAL ASSETS	<u>\$ 2,118,728</u>	<u>\$ 78,118</u>	<u>\$ 363,108</u>	<u>\$ 100,694</u>	<u>\$ 2,660,648</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 16,273	\$ -	\$ -	\$ 39,903	\$ 56,176
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Property Tax Revenue	1,012,475	-	-	-	1,012,475
Unearned Grant Revenue	33,918	-	-	-	33,918
TOTAL LIABILITIES	<u>1,062,666</u>	<u>-</u>	<u>-</u>	<u>39,903</u>	<u>1,102,569</u>
FUND BALANCES					
Non-Spendable:	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Restricted for:	-	-	-	-	-
Capital Projects	-	78,118	363,108	-	441,226
Grant Purposes	-	-	-	1,477	1,477
Tourism	-	-	-	59,314	59,314
Unassigned Reported in:	-	-	-	-	-
General Fund	1,056,062	-	-	-	1,056,062
TOTAL FUND BALANCES	<u>1,056,062</u>	<u>78,118</u>	<u>363,108</u>	<u>60,791</u>	<u>1,558,079</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,118,728</u>	<u>\$ 78,118</u>	<u>\$ 363,108</u>	<u>\$ 100,694</u>	

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	2,210,781
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds:	
Compensated Absences	(31,989)
Capital Leases	(7,613)
Net Pension Liability	(98,892)
The deferred outflows of resources and deferred inflows of resources related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds:	
Deferred Outflows of Resources	54,294
Deferred Inflows of Resources	(63,272)
Net Position of Governmental Activities	<u>\$ 3,621,388</u>

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

CITY OF SKY VALLEY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Major Governmental Funds</u>				<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>SPLOST Capital Projects Fund</u>	<u>TSPLOST Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	
REVENUES					
Taxes:					
Property	\$ 1,027,426	\$ -	\$ -	\$ -	\$ 1,027,426
Intangible and Transfer	36,489	-	-	-	36,489
Franchise	56,480	-	-	-	56,480
Beer and Wine	1,294	-	-	-	1,294
Insurance Premiums	39,333	-	-	-	39,333
Business Taxes	1,150	-	-	-	1,150
Hotel/Motel Taxes	-	-	-	99,756	99,756
Licenses and Permits	29,489	-	-	-	29,489
Intergovernmental	175,836	-	421,343	50,974	648,153
Charges for Services	-	-	-	-	-
Fines and Forfeitures	43,267	-	-	-	43,267
Event Admission Fees	1,650	-	-	-	1,650
Investment Earnings	1,475	124	21	135	1,755
Miscellaneous	26,483	-	-	-	26,483
TOTAL REVENUES	<u>1,440,372</u>	<u>124</u>	<u>421,364</u>	<u>150,865</u>	<u>2,012,725</u>
EXPENDITURES					
Current:					
General Government	429,893	15,000	29	-	444,922
Police and Courts	408,719	35,157	-	-	443,876
Fire	97,251	-	-	-	97,251
Public Works/Streets	573,962	7,611	58,227	100,000	739,800
Parks	-	-	-	-	-
Promotions & Tourism	24,253	-	-	39,903	64,156
Economic Development	15,461	-	-	-	15,461
Housing & Development	22,962	-	-	-	22,962
Debt Service:					
Principal	7,261	-	-	-	7,261
Interest	721	-	-	-	721
TOTAL EXPENDITURES	<u>1,580,483</u>	<u>57,768</u>	<u>58,256</u>	<u>139,903</u>	<u>1,836,410</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(140,111)</u>	<u>(57,644)</u>	<u>363,108</u>	<u>10,962</u>	<u>176,315</u>
OTHER FINANCING SOURCES AND USES					
Proceeds From Sale of Assets	-	-	-	-	-
Transfers In	45,047	-	-	-	45,047
Transfers Out	-	-	-	(45,047)	(45,047)
TOTAL OTHER FINANCING SOURCES AND USES	<u>45,047</u>	<u>-</u>	<u>-</u>	<u>(45,047)</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(95,064)</u>	<u>(57,644)</u>	<u>363,108</u>	<u>(34,085)</u>	<u>176,315</u>
FUND BALANCES - BEGINNING	<u>1,151,126</u>	<u>135,762</u>	<u>-</u>	<u>94,876</u>	<u>1,381,764</u>
FUND BALANCES - ENDING	<u>\$ 1,056,062</u>	<u>\$ 78,118</u>	<u>\$ 363,108</u>	<u>\$ 60,791</u>	<u>\$ 1,558,079</u>

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

**CITY OF SKY VALLEY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds **\$ 176,315**

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

Government funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	\$ 616,876	
Depreciation Expense	<u>(119,780)</u>	497,096

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which debt proceeds exceeds principal payments.

Proceeds from Capital Leases	-	
Principal Payments on Capital Leases	<u>7,261</u>	7,261

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, compensated absences are included in the governmental funds only to the extent that they require the expenditure of current financial resources.

Change in Compensated Absences		(928)
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Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense. This is the amount by which cost of benefits earned, net of employee contributions exceeded pension contributions.

Cost of Benefits Earned, net of Contributions	(7,185)	
Pension Contributions	<u>33,898</u>	<u>26,713</u>

Change in Net Position of Governmental Activities		<u>\$ 706,457</u>
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**CITY OF SKY VALLEY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 1,033,430	\$ 1,033,430	\$ 1,027,426	\$ (6,004)
Intangible and Transfer	17,000	17,000	36,489	19,489
Franchise	53,200	53,200	56,480	3,280
Beer and Wine	800	800	1,294	494
Insurance Premium	20,000	20,000	39,333	19,333
Business Taxes	700	700	1,150	450
Licenses and Permits	28,610	28,610	29,489	879
Intergovernmental	70,974	70,974	175,836	104,862
Charges for Services	-	-	-	-
Fines and Forfeitures	30,000	30,000	43,267	13,267
Event Admission Fees	-	-	1,650	-
Investment Earnings	1,520	1,520	1,475	(45)
Other Revenues	6,660	6,660	26,483	19,823
TOTAL REVENUES	<u>1,262,894</u>	<u>1,262,894</u>	<u>1,440,372</u>	<u>175,828</u>
EXPENDITURES				
Current:				
General Government	444,309	436,545	429,893	6,653
Police and Courts	395,464	403,228	408,719	(5,491)
Fire	97,251	97,251	97,251	-
Public Works/Streets	374,150	372,042	573,962	(201,920)
Parks	750	750	-	750
Promotions & Tourism	22,600	24,253	24,253	-
Economic Development	15,015	15,461	15,461	-
Housing & Development	22,953	22,962	22,962	-
Debt Service:				
Principal	7,261	7,261	7,261	-
Interest	721	721	721	-
TOTAL EXPENDITURES	<u>1,380,474</u>	<u>1,380,474</u>	<u>1,580,483</u>	<u>(200,009)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(117,580)</u>	<u>(117,580)</u>	<u>(140,111)</u>	<u>(24,181)</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Sale of Assets	80,580	80,580	-	(80,580)
Transfers In	37,000	37,000	45,047	8,047
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>117,580</u>	<u>117,580</u>	<u>45,047</u>	<u>(72,533)</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>(95,064)</u>	<u>(95,064)</u>
FUND BALANCES - BEGINNING	<u>744,305</u>	<u>745,905</u>	<u>1,151,126</u>	<u>280,291</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,064)</u>	<u>\$ (95,064)</u>

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

**CITY OF SKY VALLEY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

		<u>Business-Type Activities - Enterprise Funds</u> <u>Water & Sanitation</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$	1,489,112
Accounts Receivable, net		46,703
Due from Other Funds		-
Prepaid Items		-
TOTAL CURRENT ASSETS		<u>1,535,815</u>
NONCURRENT ASSETS		
Capital Assets:		
Land and Improvement		2,222
Depreciable Assets, net of Accumulated Depreciation		2,490,680
TOTAL NONCURRENT ASSETS		<u>2,492,902</u>
TOTAL ASSETS		<u>4,028,717</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Items		16,218
TOTAL DEFERRED OUTFLOWS OF RESOURCES		<u>16,218</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$	<u><u>4,044,935</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$	171,454
Compensated Absences		6,040
Due to Other Funds		-
Customer Deposits Payable		12,950
Capital Leases Payable		-
Notes Payable		106,523
TOTAL CURRENT LIABILITIES		<u>296,967</u>
NONCURRENT LIABILITIES		
Compensated Absences		4,346
Capital Leases		-
Notes Payable		960,992
Net Pension Liability		29,539
TOTAL NONCURRENT LIABILITIES		<u>994,877</u>
TOTAL LIABILITIES		<u>1,291,844</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Related Items		18,900
TOTAL DEFERRED INFLOWS OF RESOURCES		<u>18,900</u>
NET POSITION		
Net Invested in Capital Assets		1,425,387
Restricted for Capital Projects		-
Unrestricted		1,308,804
TOTAL NET POSITION		<u>2,734,191</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$	<u><u>4,044,935</u></u>

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

**CITY OF SKY VALLEY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds Water & Sanitation
OPERATING REVENUES	
Water Fees	\$ 505,146
Sanitation Fees	217,547
TOTAL OPERATING REVENUES	<u>722,693</u>
OPERATING EXPENSES	
Water	357,816
Sanitation	224,480
Depreciation	163,397
TOTAL OPERATING EXPENSES	<u>745,693</u>
OPERATING INCOME (LOSS)	<u>(23,000)</u>
NON-OPERATING REVENUES (EXPENSES)	
Intergovernmental Revenue	-
Interest and Investment Revenue	1,381
Miscellaneous Revenue (Expenses)	-
Interest Expense	(15,241)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(13,860)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(36,860)</u>
Transfers In	-
Transfers Out	-
CHANGE IN NET POSITION	<u>(36,860)</u>
NET POSITION - BEGINNING	<u>2,771,051</u>
NET POSITION - ENDING	<u>\$ 2,734,191</u>

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

**CITY OF SKY VALLEY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds
	Water and Sanitation Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 712,176
Payments to Suppliers	(308,151)
Payments to or on Behalf of Employees	(283,977)
NET CASH PROVIDED FOR OPERATING ACTIVITIES	120,048
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers From Other Funds	-
Transfers to Other Funds	-
Loans to Other Funds	-
Loans from Other Funds	-
NET CASH PROVIDED FOR NON-CAPITAL FINANCING ACTIVITIES	-
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers In From Other Funds	-
Proceeds from Notes Payable	-
Principal Payments on Note Payables	(105,287)
Purchases of Capital Assets	(25,296)
Interest Paid	(15,241)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(145,824)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Investments Redeemed	-
Interest Earned	1,381
NET CASH USED FOR INVESTING ACTIVITIES	1,381
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(24,395)
 CASH AND CASH EQUIVALENTS - BEGINNING	1,513,507
 CASH AND CASH EQUIVALENTS - ENDING	\$ 1,489,112
 Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ (23,000)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation Expense	163,397
Changes in Assets and Liabilities:	
Receivables, net	(6,710)
Due from Other Funds	
Prepaid Expenses	19,058
Deferred Outflows for Pension Items	(618)
Accounts Payables	(34,533)
Compensated Absences	8,161
Customer Deposit Payables	1,655
Net Pension Liability	3,782
Deferred Inflows for Pension Items	(11,144)
Net Cash Provided by Operating Activities	\$ 120,048

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

**CITY OF SKY VALLEY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
DECEMBER 31, 2022**

	Municipal Court Fund
ASSETS	
Cash	\$ 6,522
TOTAL ASSETS	\$ 6,522
 LIABILITIES	
Due to Others	\$ -
TOTAL LIABILITIES	-
 NET POSITION	
Restricted:	
Individuals, Organizations, and Other Governments	6,522
TOTAL NET POSITION	6,522
 TOTAL LIABILITIES AND NET POSITION	\$ 6,522

DRAFT

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Municipal Court Fund
ADDITIONS	
Fines and Forfeitures	\$ 30,957
Interest	9
TOTAL ADDITIONS	30,966
 DEDUCTIONS	
Payments to Other Governments	28,445
Other Custodial Disbursements	550
TOTAL DEDUCTIONS	28,995
 CHANGE IN FIDUCIARY NET POSITION	1,971
 NET POSITION - BEGINNING OF YEAR	4,551
 NET POSITION - END OF YEAR	\$ 6,522

DRAFT

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The City of Sky Valley, Georgia (the "City") was incorporated, under the laws of the State of Georgia, in 1986 and operates under an elected Mayor-Council form of government. The City provides such services as police protection, fire services, economic development services, parks and recreation amenities, planning and building inspection, municipal court services, public works, water and sewer services, sanitation services, and general and administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) organizations for which the primary government is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

For financial reporting purposes, management has considered all potential component units. The decision whether to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP). The City has no component units.

GASB 14 defines the foundation of a primary government as its separately elected governing body; one that is elected by the citizens in a general population election. The primary government consists of all of the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The primary government is also financially accountable for legally separate organizations if its officials appoint a voting majority of the organizations governing body and either imposes its will on the organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government.

The City has no relationships with legally separate organizations that are required to be included in the reporting entity for financial statement purposes. However, fire protection services are provided by an independently organized volunteer group. The City supports this group by paying a quarterly fee for their services.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

Fund Financial Statements

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

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It is used to account for resources traditionally associated with the City, which are not required legally or by sound financial management to be accounted for in another fund.

The **SPLOST (Special Purpose Local Option Sales Tax) Fund** is used to account for the proceeds of a sales tax levied in Rabun County, Georgia, which will be used by the City for the exclusive purpose of capital outlay projects in the voter approved referendum.

The **TSPLOST (Transportation Special Purpose Local Option Sales Tax) Fund** is used to account for the proceeds of a sales tax levied in Rabun County, Georgia, which will be used by the City for the exclusive purpose of capital outlay transportation projects in the voter approved referendum.

The City aggregates other nonmajor governmental funds in a single column in the fund financial statements.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The City reports the following major enterprise funds:

The ***Water and Sanitation Fund*** accounts for the operation of the water utility system and the activities associated with the collection of residential and commercial garbage. Activity is rendered on a user charge basis and the fund includes all revenues from sources applicable to the system's operations and all expenses of the operation.

Additionally, the City reports the following fund types:

The ***Custodial Fund*** is used to account for assets held by the City's Municipal Court until they can be disbursed to other parties.

Management's Discussion and Analysis

GASB Statements No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the City's financial activities in the form of a "management's discussion and analysis" ("MD&A"). This analysis is similar to analysis the private sector provides in their annual reports. An MD&A is not included in this report.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgements are recorded only when payments are due.

Property taxes, franchise taxes, business taxes, charges for services, and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues in the current year. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenue include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

D. BUDGETS

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds, except the capital projects funds, which adopt project-length budgets. All appropriations lapse at year end. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is not employed by the City.

CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

E. CASH AND INVESTMENTS

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with original maturities of 3 months or less from the date of acquisition. For purposes of the statement of cash flows, cash and cash equivalents includes both of these categories.

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other state; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of 3 months or less are considered to be cash equivalents.

Investments in nonparticipating interest-earning investment contracts, certificates of deposit, are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

F. RECEIVABLES

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the enterprise funds are recognized at the end of each fiscal year based on the amount of service provided prior to year-end.

G. INTERFUND RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

H. INVENTORY

The City's policy is to expense parts as they are purchased; therefore, no inventory is recorded.

I. PREPAID ITEMS

Certain payments to vendors for services that will benefit future accounting periods are recorded as prepaid items in both government-wide and governmental fund financial statements. These items are accounted for using the consumption method. Prepaid items reported by governmental funds are also

CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

equally offset by fund balance classified as nonspendable, which indicates they do not constitute "available, spendable financial resources" even though they are a component of net current assets.

J. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, culverts, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the year ended December 31, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the City. The City reported general infrastructure assets placed into service after January 1, 2003.

Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Depreciation is recorded on general capital assets on a government-wide basis. Capital outlays of the Proprietary Fund are recorded as capital assets and depreciation is recorded on both the fund basis and the government-wide basis. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of donations, the government values these capital assets at the estimated fair value of the item at the date of its donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized, but charged to operations when incurred. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the assets constructed. No interest was capitalized during 2022.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and Improvements	5 to 30
Machinery and equipment	5 to 10
Infrastructure	10 to 30
Vehicles	5

K. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits up to a maximum of 280 hours. Accumulated vacation pay that is expected to be liquidated with

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

expendable available financial resources is reported as an expenditure and fund liability of the government fund that will pay it. Amounts of accumulated vacation pay that are not expected to be liquidated with expendable financial resources are reported as long-term liabilities.

L. CUSTOMER DEPOSITS

The City collects deposits from new customers for water services. The deposits are held until the City discontinues services to the customer and, therefore, are reported as a liability in both the fund and government-wide financial statements.

M. LONG-TERM OBLIGATIONS

In the government-wide financial statements and the propriety fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or propriety fund statement of net position.

Proprietary fund type loans payable are reported as liabilities at their outstanding value. In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures. Loan issuance costs are reported as expenses when incurred.

N. DEFERRED OUTFLOWS OF RESOURCES/DEFERRED INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. The deferred outflow of resources relates to pensions. These amounts are described more fully below.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of deferred inflows of resources which arise under the accrual basis of accounting that relates to pensions and is described below.

The City has deferred outflows and inflows of resources related to the recording of changes in its net pension liability. Certain changes in the net position liability are recognized as pension expense over time instead of being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. Changes in actuarial assumption which adjust the net pension liability are also

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual returns on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

O. FUND EQUITY AND NET POSITION

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

In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Non-spendable – includes amounts that cannot be spent because they are either (a) not spendable in form (i.e., items that are not expected to be converted to cash like inventories and prepaid items) or are (b) legally or contractually required to be maintained intact. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts 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, laws of other governments, or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 120 days of fiscal year end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. Equity amounts reported in special revenue funds or capital project funds not otherwise classified as non-spendable, restricted, or committed shall constitute assignments of fund balance.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

For the purposes of fund balance classification, the City considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Additionally, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net position reported as net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on the use of assets either through enabling legislation adopted by the City Council or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other amounts reported under net position are reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

P. MANAGEMENT ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

1. Prior to January 1, the department heads submit to the City Council a proposed operating budget for each department for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at City Hall to obtain taxpayer comments.
3. Prior to December 31, the City Council approves the budget.
4. The City Manager is authorized to transfer budgeted amounts within departments within any fund; however, any revisions that alter the total expenditures of any department must be approved by the City Council.

Expenditures may not legally exceed budgeted appropriations at the department level in the General Fund. The enterprise fund adopts a budget at the fund level for management purposes. During the year, the supplementary budget appropriations made were not material; however, the City did have expenditures in excess of the appropriated budget for its General Government department that totaled

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

\$207,411 in which budget appropriations were not made. The General Government expenditures in excess were due to a paving projects that were funded with grants and the prior year reserve.

NOTE 3 - DEPOSITS

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The City has not formally adopted an investment policy to address interest rate risk.

Credit Risk - The City's policy is to adhere to the State statutes as it relates to credit risk for investments. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk - Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. The State of Georgia requires financial institutions to pledge securities at 110% of a local government's deposits. At December 31, 2022, all of the deposits of the City were fully collateralized in accordance with state statutes.

Concentration of Credit Risk - The City has no formal policy on the amount the City may invest in any one issuer.

Foreign Currency Risk - The City has no investments denominated in a foreign currency.

NOTE 4 - RECEIVABLES

The City receives property tax assessments from Rabun County, Georgia. Property taxes are levied on property values assessed as of January 1. Tax bills were levied on all real and personal property and mailed to taxpayers in October, and were due and payable on or before January 1 of the following year. After that date, both penalty and interest are accrued until the taxes are collected. Property taxes attach an enforceable lien on property as of May 1 of the following year. Property taxes are recorded as receivables and deferred revenues when assessed.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

	General	TSPLOST	Water & Sanitation
Receivables:			
Taxes	\$ 732,446	\$ -	\$ -
Accounts	-	-	71,691
Intergovernmental	-	49,887	-
Less allowance for Uncollectible	-	-	(24,988)
Net Total Receivables	<u>\$ 732,446</u>	<u>\$ 49,887</u>	<u>\$ 46,703</u>

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

During normal operations, the City will occasionally pay for goods and services or transfer monies between the general and enterprise fund (water and sanitation). All interfund balances are the result of a time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. As of December 31, 2022, there were no interfund receivables and/or payables between the general fund and the water and sanitation fund.

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires them to the fund that statute or budget requires to expend them, and 2) use restricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government wide financial statements if the interfund transfer is within the governmental fund group or business-type group. As of December 31, 2022, there were no interfund transfers between the general fund and the water and sanitation fund.

CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 6 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in Progress	\$ -	\$ 75,000	\$ -	\$ 75,000
Land and Improvements	251,739	-	-	251,739
Total assets, not being depreciated	<u>251,739</u>	<u>75,000</u>	<u>-</u>	<u>326,739</u>
Capital assets, being depreciated:				
Buildings	550,835	-	-	550,835
Infrastructure	1,161,553	459,422	-	1,620,975
Machinery & Equipment	280,858	47,297	(12,204)	315,951
Vehicles	233,677	35,157	(17,000)	251,834
Total assets, being depreciated	<u>2,226,923</u>	<u>541,876</u>	<u>(29,204)</u>	<u>2,739,595</u>
Less accumulated depreciation for:				
Buildings	(233,623)	(18,613)	-	(252,236)
Infrastructure	(159,287)	(44,223)	-	(203,510)
Machinery & Equipment	(247,073)	(22,685)	12,204	(257,554)
Vehicles	(124,994)	(34,259)	17,000	(142,253)
Total accumulated depreciation	<u>(764,977)</u>	<u>(119,780)</u>	<u>29,204</u>	<u>(855,553)</u>
Total assets, being depreciated, net	<u>1,461,946</u>	<u>422,096</u>	<u>-</u>	<u>1,884,042</u>
Governmental Activities				
Capital Assets, net	<u>\$ 1,713,685</u>	<u>\$ 497,096</u>	<u>\$ -</u>	<u>\$ 2,210,781</u>

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets, not being depreciated:				
Land and Improvements	\$ 2,222	\$ -	\$ -	\$ 2,222
Total assets, not being depreciated	<u>2,222</u>	<u>-</u>	<u>-</u>	<u>2,222</u>
Capital assets, being depreciated:				
Buildings & Improvements	17,500	-	-	17,500
Machinery & Equipment	218,795	25,296	-	244,091
Vehicles	85,560	-	-	85,560
Infrastructure	5,190,138	-	-	5,190,138
Total assets, being depreciated	<u>5,511,993</u>	<u>25,296</u>	<u>-</u>	<u>5,537,289</u>
Less accumulated depreciation for:				
Buildings & Improvements	(17,500)	-	-	(17,500)
Machinery & Equipment	(159,474)	(25,409)	-	(184,883)
Vehicles	(72,091)	(4,898)	-	(76,989)
Infrastructure	(2,634,147)	(133,090)	-	(2,767,237)
Total accumulated depreciation	<u>(2,883,212)</u>	<u>(163,397)</u>	<u>-</u>	<u>(3,046,609)</u>
Total assets, being depreciated, net	<u>2,628,781</u>	<u>(138,101)</u>	<u>-</u>	<u>2,490,680</u>
Business-Type Activities				
Capital Assets, net	<u>\$ 2,631,003</u>	<u>\$ (138,101)</u>	<u>\$ -</u>	<u>\$ 2,492,902</u>

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

Governmental Activities:

General Government	\$ 9,444
Public Safety:	
Police and Courts	24,214
Public Works/Streets	75,977
Parks	5,195
Housing & Development	4,950
Total Depreciation Expense, Governmental Activities	<u>\$ 119,780</u>

Business-type Activities:

Water	\$ 147,990
Sanitation	15,407
Total Depreciation Expense, Business-type Activities	<u>\$ 163,397</u>

CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 7 – LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 31,061	\$ 928	\$ -	\$ 31,989	\$ 15,203
Capital Leases	14,874	-	(7,261)	7,613	7,613
Net Pension Liability	86,229	12,663	-	98,892	-
Governmental Activities Long-term Liabilities	\$ 132,164	\$ 13,591	\$ (7,261)	\$ 138,494	\$ 22,816
Business-Type Activities:					
Compensated Absences	\$ 2,225	\$ 8,161	\$ -	\$ 10,386	\$ 6,040
Notes Payable	1,172,802	-	(105,287)	1,067,515	106,523
Net Pension Liability	25,757	3,778	-	29,535	-
Business-Type Activities Long-term Liabilities	\$ 1,200,784	\$ 11,939	\$ (105,287)	\$ 1,107,436	\$ 112,563

The General Fund typically liquidates the capital lease obligations. The compensated absence and net pension liability obligations are liquidated by the General Fund and the Water/Sanitation Fund. The Water/Sanitation Fund typically liquidates the notes payable.

Governmental Activities

The City has entered into a lease agreement as lessee. The lease, obtained in 2019, is for financing the acquisition of a patrol car and its upgrades in the original amount of \$36,953 plus an additional \$70 which the City paid. The lease agreement qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. Amortization expense on the capital lease is included in depreciation expense.

The assets acquired through this capital lease is as follows:

Date	Type	Rate	Amount	Less Accumulated Depreciation	Total
8/23/2019	Vehicle	4.74%	\$ 37,023	\$ (24,065)	\$ 12,958
Total			\$ 37,023	\$ (24,065)	\$ 12,958

The City's balance of the capital lease payable outstanding as of December 31, 2022, is shown below:

Lease	Interest Rate	Maturity Dates	Beginning Balance	Additions	Reductions	Ending Balance
Magnolia Bank	4.74%	3/1/2023	\$ 14,874	\$ -	\$ (7,261)	\$ 7,613
Total Capital Lease Payable			\$ 14,874	\$ -	\$ (7,261)	\$ 7,613

The future annual requirements to amortize this capital lease obligation as of December 31, 2022 is as follows:

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 7,613	\$ 369	\$ 7,982
Total	\$ 7,613	\$ 369	\$ 7,982

Business-Type Activities

Note Payables

The City's water and sanitation fund has two Georgia Environmental Finance Authority (GEFA) loans to improve and renovate portions of the water system. Note payables outstanding as of December 31, 2022 are as follows:

<u>Loan</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
GEFA DW09024	0.00%	12/1/2031	\$ 646,240	\$ -	\$ (64,624)	\$ 581,616
GEFA DW10018	3.00%	1/1/2033	526,562	-	(40,663)	485,899
Total Notes Payable			<u>\$ 1,172,802</u>	<u>\$ -</u>	<u>\$ (105,287)</u>	<u>\$ 1,067,515</u>

Annual debt service requirements to maturity for the note payables are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	106,523	14,004	120,527
2024	107,798	12,730	120,528
2025	109,111	11,416	120,527
2026	110,464	10,063	120,527
2027	111,859	8,669	120,528
2028-2032	517,113	20,900	538,013
2033	4,647	12	4,659
Total	<u>\$ 1,067,515</u>	<u>\$ 77,794</u>	<u>\$ 1,145,309</u>

NOTE 8 - PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a non-contributory defined benefit pension plan (The City of Sky Valley Retirement Plan), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404)688-0472.

The City Council, in its role as Plan Sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week are eligible to participate in the Plan immediately upon hiring, but will not be vested until 5 years of service. Benefits are provided by the Plan whereby retirees receive 1.25% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. Death benefits are calculated using an actuarial reserve.

As of July 1, 2022, the date the most recent actuarial valuation, there were 37 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	7
Terminated vested participants not yet receiving benefits	15
Active employees - Vested	7
Active employees - Non-vested	8
Total	37

Funding Policy

The plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the City Council, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Council. For fiscal year 2022, the actuarially determined contribution rate was 7.40% of covered payroll. City contributions to the Plan were \$44,023 for the year ended December 31, 2022. Employees of the City do not contribute to the plan. For fiscal year 2023, based on July 1, 2022 actuarial valuation, the recommended contribution rate will be 7.34%.

Net Pension Liability of the City

At December 31, 2022, the City reported a liability of \$128,427 for its net pension liability. The City's net pension liability was measured as of July 1, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of March 31, 2022 with update procedures performed by the actuary to roll forward to the total pension liability measured as of July 1, 2022.

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

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at December 31, 2021	\$ 886,696	\$ 774,710	\$ 111,986
Changes for the Year:			
Service Cost	19,416	-	19,416
Interest	65,417	-	65,417
Differences Between Expected and Actual Experience	30,357	-	30,357
Contributions - Employer	-	55,425	(55,425)
Net Investment Income	-	47,286	(47,286)
Benefit Payments (Including Refunds of Employee Contributions)	(38,208)	(38,208)	-
Administrative Expense	-	(3,966)	3,966
Other	-	-	-
Net Changes	<u>76,982</u>	<u>60,537</u>	<u>16,445</u>
Balances at December 31, 2022	<u>\$ 963,678</u>	<u>\$ 835,247</u>	<u>\$ 128,431</u>

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

For the year ended December 31, 2022, the City recognized pension expense of \$9,331. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 34,570	\$ (5,184)
Changes of Assumptions	2,924	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(76,988)
City Contributions Subsequent to the Measurement Date	33,018	-
Total	<u>\$ 70,512</u>	<u>\$ (82,172)</u>

City contributions subsequent to the measurement date of \$33,018 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31:	
2023	\$ 7,103
2024	(14,605)
2025	(39,244)
2026	2,068
Total	<u>\$ (44,678)</u>

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Actuarial Assumptions

The total pension liability in the March 31, 2022 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	3.00% - 8.50%, including inflation
Investment Rate of Return	7.375%, net of pension plan investment expense, including inflation

Mortality rates were based on the Sex-distinct Pri-2012 head-count weighted mortality tables with rates multiplied by 1.25.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic Equity	45%	6.55%
International Equity	20%	7.30%
Global Fixed Income	5%	0.50%
Domestic Fixed Income	20%	0.40%
Real Estate	10%	3.65%
Cash	0%	
Total	100%	

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

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

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

term expected rate of return of pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.375%)	Discount Rate (7.375%)	1% Increase (8.375%)
City's Net Pension Liability	\$ 259,875	\$ 128,431	\$ 19,311

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2022 and the current sharing pattern of costs between employer and employee.

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

NOTE 9 - DEFERRED COMPENSATION PLAN

The City also provides retirement benefits for its employees through a deferred compensation, defined contribution plan. The Plan was created in accordance with the Internal Revenue Code (IRC) Section 457(b). The Plan is administered by the Georgia Municipal Association (GMA), an independent third party and plan trustee, and is available to all City employees immediately upon employment. Participants may elect to make pre-tax contributions subject to the deferral limitations of the revenue code. The City does not contribute to the Plan.

As required by Section 457(b) of the IRC, plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. Investments are managed by the trustee under one of the available investment options, or a combination thereof. Accordingly, the assets and liabilities of the Plan are not included in the accompanying financial statements. During the year ending December 31, 2022, one participating employee contributed \$60 to the Plan.

NOTE 10 - JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. Membership in a GMRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of a regional commission. GMRC board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

39.1 provides that the member governments are liable for any debts or obligations of the GMRC. Separate financial statements may be obtained from the Georgia Mountains Regional Commission, P.O. Box 1720, Gainesville, Georgia 30503.

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three (3) years have not exceeded insurance coverage.

NOTE 12 – CONTINGENT LIABILITIES

Litigation

The City is involved in pending lawsuits in the normal course of the City's business. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 13 – HOTEL/MOTEL OCCUPANCY TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax is assessed at 5% and, in accordance with O.C.G.A. 48-13-51, the City is required to spend at least 40% of this amount for promoting tourism, conventions, trade show and tourism product development. Revenues were \$99,756 for the year ended December 31, 2022. Of this amount, 40%, or \$39,903, was used to promote tourism.

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

CITY OF SKY VALLEY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
December 31, 2022
(Unaudited)

	Fiscal Year End									
	2022	2021	2020	2019	2018	2017	2016	2015		
Total Pension Liability										
Service Cost	\$ 19,416	\$ 19,867	\$ 15,310	\$ 19,698	\$ 14,295	\$ 15,174	\$ 13,871	\$ 19,223		
Interest	65,417	62,926	55,992	57,259	51,003	50,703	48,377	46,961		
Differences Between Expected and Actual Experience	30,357	(10,367)	57,329	(51,253)	48,147	(22,782)	7,131	(11,881)		
Changes of Assumptions	-	-	11,696	-	-	-	-	1,464		
Changes of Benefit Terms	(38,208)	(38,207)	(38,208)	(38,208)	(39,077)	(39,367)	(39,367)	(35,634)		
Benefit Payments, Including Refunds of Employee Contributions	76,982	34,219	102,119	(12,504)	10,854	3,728	30,012	20,133		
Other	886,696	852,477	759,358	762,862	677,640	673,912	643,900	623,767		
Net Change in Total Pension Liability	\$ 963,678	\$ 886,696	\$ 852,477	\$ 750,358	\$ 762,862	\$ 677,640	\$ 673,912	\$ 643,900		
Total Pension Liability, Beginning										
Total Pension Liability, Ending (a)										
Plan Fiduciary Net Position										
Contributions - Employer	\$ 55,425	\$ 24,685	\$ 47,715	\$ 19,888	\$ 30,650	\$ 27,164	\$ 30,273	\$ 39,625		
Net Investment Income	47,286	246,178	(41,694)	20,693	65,767	60,455	1,577	44,066		
Benefit Payments, Including Refunds of Employee Contributions	(38,208)	(38,207)	(38,208)	(38,208)	(39,077)	(39,367)	(39,367)	(35,634)		
Administrative Expense	(3,966)	(3,771)	(4,213)	(4,001)	(3,948)	(4,054)	(2,637)	(2,303)		
Other	60,537	228,885	(36,400)	(1,628)	53,392	44,198	(10,154)	45,754		
Net Change in Plan Fiduciary Net Position	\$ 774,710	\$ 545,825	\$ 582,225	\$ 583,853	\$ 530,461	\$ 486,263	\$ 496,417	\$ 450,663		
Plan Fiduciary Net Position, Beginning	\$ 635,247	\$ 774,710	\$ 545,825	\$ 582,225	\$ 583,853	\$ 530,461	\$ 486,263	\$ 496,417		
Plan Fiduciary Net Position, Ending (b)	\$ 1,284,431	\$ 1,111,986	\$ 306,652	\$ 168,133	\$ 179,009	\$ 147,179	\$ 187,649	\$ 147,483		
City's Net Pension Liability, Ending (a) - (b)	\$ 86,678	\$ 87,376	\$ 64,036	\$ 77,596	\$ 76,536	\$ 78,288	\$ 72,166	\$ 77,106		
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.67%	87.37%	64.03%	77.59%	76.53%	78.28%	72.16%	77.10%		
Covered-Employee Payroll	\$ 658,075	\$ 587,989	\$ 554,167	\$ 419,064	\$ 520,449	\$ 381,400	\$ 460,417	\$ 430,063		
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	19.52%	19.05%	55.34%	40.12%	34.40%	38.59%	40.76%	34.29%		

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

CITY OF SKY VALLEY, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 LAST 10 FISCAL YEARS
 December 31, 2022
 (Unaudited)

	Fiscal Year End									
	2022	2021	2020	2019	2018	2017	2016	2015		
Actuarially Determined Contribution	\$ 44,023	\$ 44,419	\$ 32,913	\$ 39,487	\$ 26,517	\$ 28,825	\$ 26,832	\$ 34,401		
Contributions in Relation to the Actuarially Determined Contribution	44,023	44,419	32,913	39,487	26,517	26,589	31,935	31,534		
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,236	\$ (5,103)	\$ 2,867		
Covered-Employee Payroll	\$ 658,075	\$ 587,989	\$ 554,167	\$ 419,064	\$ 520,449	\$ 381,400	\$ 460,417	\$ 430,063		
Contributions as a Percentage of Covered-Employee Payroll	6.69%	7.55%	5.94%	9.42%	5.10%	6.97%	6.94%	7.33%		

Actual 2022 information will be determined after the fiscal year end and will be included in the July 2023 valuation report.

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior to 2015 are not reported.

**CITY OF SKY VALLEY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 1

Valuation Date

The actuarially determined contribution was determined as of July 1, 2022, with an interest adjustment to the fiscal year. Contributions in relations to this actuarially determined contribution will be reported for the fiscal year ending December 31, 2023.

NOTE 2

Significant methods and assumptions used in calculating the actuarially determined calculations are as follows:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

Net Investment Rate of Return	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age	65
Mortality Rates	
Healthy retirees and beneficiaries	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25
Disabled participants	Sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25
Active participants, terminated vested participants, and deferred beneficiaries	Sex-distinct Pri-2012 head-count weighted Employee Mortality Table
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

NOTE 3

Changes in Benefits

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

NOTE 4

Changes of Assumptions

There were no changes in assumptions in the last two fiscal years.

SUPPLEMENTARY INFORMATION

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CITY OF SKY VALLEY, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2022

	<u>ARPA - Grant Funds</u>	<u>Hotel/Motel</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,477	\$ 99,217	\$ 100,694
TOTAL ASSETS	<u>\$ 1,477</u>	<u>\$ 99,217</u>	<u>\$ 100,694</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ 39,903	\$ 39,903
TOTAL LIABILITIES	<u>-</u>	<u>39,903</u>	<u>39,903</u>
FUND BALANCES			
Restricted for:			
Grant Funds	1,477	-	1,477
Hotel/Motel	-	59,314	59,314
TOTAL FUND BALANCES	<u>1,477</u>	<u>59,314</u>	<u>60,791</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,477</u>	<u>\$ 99,217</u>	<u>\$ 100,694</u>

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

	<u>ARPA - Grant Funds</u>	<u>Hotel/Motel</u>	<u>Total Governmental Funds</u>
REVENUES			
Hotel/Motel Occupancy Taxes	\$ -	\$ 99,756	\$ 99,756
Intergovernmental	50,974	-	50,974
Interest	53	82	135
TOTAL REVENUES	<u>51,027</u>	<u>99,838</u>	<u>150,865</u>
EXPENDITURES			
General Government	-	-	-
Public Works/Streets	100,000	-	100,000
Promotions & Tourism	-	39,903	39,903
TOTAL EXPENDITURES	<u>100,000</u>	<u>39,903</u>	<u>139,903</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,973)	59,935	10,962
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	(45,047)	(45,047)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(48,973)	14,888	(34,085)
FUND BALANCES - BEGINNING	<u>50,450</u>	<u>44,426</u>	<u>94,876</u>
FUND BALANCES - ENDING	<u>\$ 1,477</u>	<u>\$ 59,314</u>	<u>\$ 60,791</u>

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**CITY OF SKY VALLEY, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years Cumulative Expenditures</u>	<u>Current Year Expenditures</u>	<u>Total Cumulative Expenditures</u>	<u>Estimated Percentage of Completion</u>
RABUN COUNTY, GEORGIA SPLOST '19						
Roads	\$ 240,000	\$ 240,000	\$ 232,416	\$ 7,611	\$ 240,027	100%
Equipment	100,000	100,000	-	35,157	35,157	35%
Buildings	50,000	50,000	25,695	15,000	40,695	81%
TOTAL RABUN COUNTY, GEORGIA SPLOST	\$ 390,000	\$ 390,000	\$ 258,111	\$ 57,768	\$ 315,879	

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**CITY OF SKY VALLEY, GEORGIA
SCHEDULE OF EXPENDITURES OF
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years Cumulative Expenditures</u>	<u>Current Year Expenditures</u>	<u>Total Cumulative Expenditures</u>	<u>Estimated Percentage of Completion</u>
RABUN COUNTY, GEORGIA TSPLOST						
Paving, Resurfacing and Construction of Roads	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 12,456	\$ 12,456	1%
Paving, Resurfacing and Renovation of Bridges/Culverts	300,000	300,000	-	23,400	23,400	8%
Safety Improvements & Vehicles for Public Works	167,506	167,506	-	22,400	22,400	13%
TOTAL RABUN COUNTY, GEORGIA TSPLOST	<u>\$ 1,967,506</u>	<u>\$ 1,967,506</u>	<u>\$ -</u>	<u>\$ 58,256</u>	<u>\$ 58,256</u>	

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COMPLIANCE SECTION

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Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

Honorable Mayor, Members of the
City Council and City Manager
Of the City of Sky Valley, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sky Valley, Georgia (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 15, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-1 and 2022-2 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and

accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Sky Valley, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Mixon, Mixon, Brown & Tench, CPAs
Cornelia, Georgia
August 15, 2023

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

Section I – Summary of Audit Results

Financial Statements

Type of Auditor's Report Issued:	Unmodified	
Internal Control over Financial Reporting:		
Material Weaknesses Identified?	<u> X </u> Yes	<u> </u> No
Significant Deficiencies Identified not considered Material Weaknesses?	<u> </u> Yes	<u> X </u> None Reported
Noncompliance Material to Financial Statements Noted?	<u> </u> Yes	<u> X </u> No

Federal Awards

There was not an audit of major federal programs for the year ended December 31, 2022, due to the total amount expended being less than \$750,000.

Section II – Financial Statement Findings and Responses

Current Year Findings

Finding 2022-1 – Budgetary Expenditures in Excess of Appropriations

Criteria: Georgia statute, O.C.G.A. 36-81-3, prohibits governmental expenditures in excess of appropriated budgets at the legal level of control.

Condition: For the year ended December 31, 2022, the City did not make the appropriate budget amendments for two of the City's departments. Police and Courts expenditures were in excess of \$5,491 and Public Works/Streets were in excess of \$201,920.

Cause: The City's expenditures were in excess of the appropriated budget for its General Government department. Budget amendments are required to be approved by the City Council when expenditures exceed the budgeted appropriations at the department level in the General Fund.

Effects: The City was not compliant with O.C.G.A. 36-81-3 as its expenditures for General Government were in excess of appropriations that totaled \$207,411.

Recommendation: We recommend that City management regularly review the budget for compliance to ensure that expenditures are not in excess of appropriated budgets and in instances where expenditures are greater than the appropriated budget, ensure that budget amendments are approved by the City Council.

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

Auditee's Response: We agree with the Auditor's comments. In 2022, there were many projects completed that were not originally budgeted for or the projects were budgeted for much lower amounts. The City was able to secure grant funding opportunities which allowed the City to either increase the scope of the project or complete the infrastructure projects much sooner than anticipated. For corrective measures moving forward, the City will not only anticipate all of the expenditures for projects but anticipate the revenue sources so that budget amendments can be made in a timely manner.

Finding 2022-2 – Inadequate Monitoring and Oversight

Criteria: An effective internal control system includes establishing oversight and performing monitoring activities of financial reporting systems to ensure accuracy and completeness.

Condition: Throughout 2022, capital outlay expenditures for the General Fund were recorded incorrectly causing the expenditures in Public Works/Streets department to be understated.

Cause: A review of the City's financials, including the recording of capital outlay transactions, were not performed in an adequate manner.

Effects: Expenditures in the Public Works/Streets department were recorded incorrectly to an asset account which resulted in expenditures being understated by \$238,044, which also contributed to expenditures for this department being in excess of its budget.

Recommendation: We recommend that the City establish and practice monitoring and oversight activities to included the timely review of financial data to ensure transactions have been recorded accurately.

Auditee's Response: We agree with the Auditor's comments. In 2022, our part time financial assistant instructed us to record several capital outlay projects as projects in progress instead of expenditures. It is my understanding that this is a common accounting practice but not in public finance accounting. For corrective measures, we will ensure that all expenditures are recorded correctly.

Status of Prior Year Audit Findings

Finding 2021-1 – Budgetary Expenditures in Excess of Appropriations

Criteria: Georgia statute, O.C.G.A. 36-81-3, prohibits governmental expenditures in excess of appropriated budgets at the legal level of control.

Condition: For the year ended December 31, 2021, the City did not make the appropriate budget amendments for one of the City's departments.

Auditee's Response/Status: Not Corrected. See current year financial audit finding 2022-1.

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

Finding 2021-2 - Bank Reconciliations are not being performed in a timely manner.

Criteria: To ensure proper financial reporting and safeguarding of assets, transactions should be reconciled in a timely manner.

Condition: Bank reconciliations for January - March were not performed in a timely manner.

Auditee's Response/Status: Resolved.

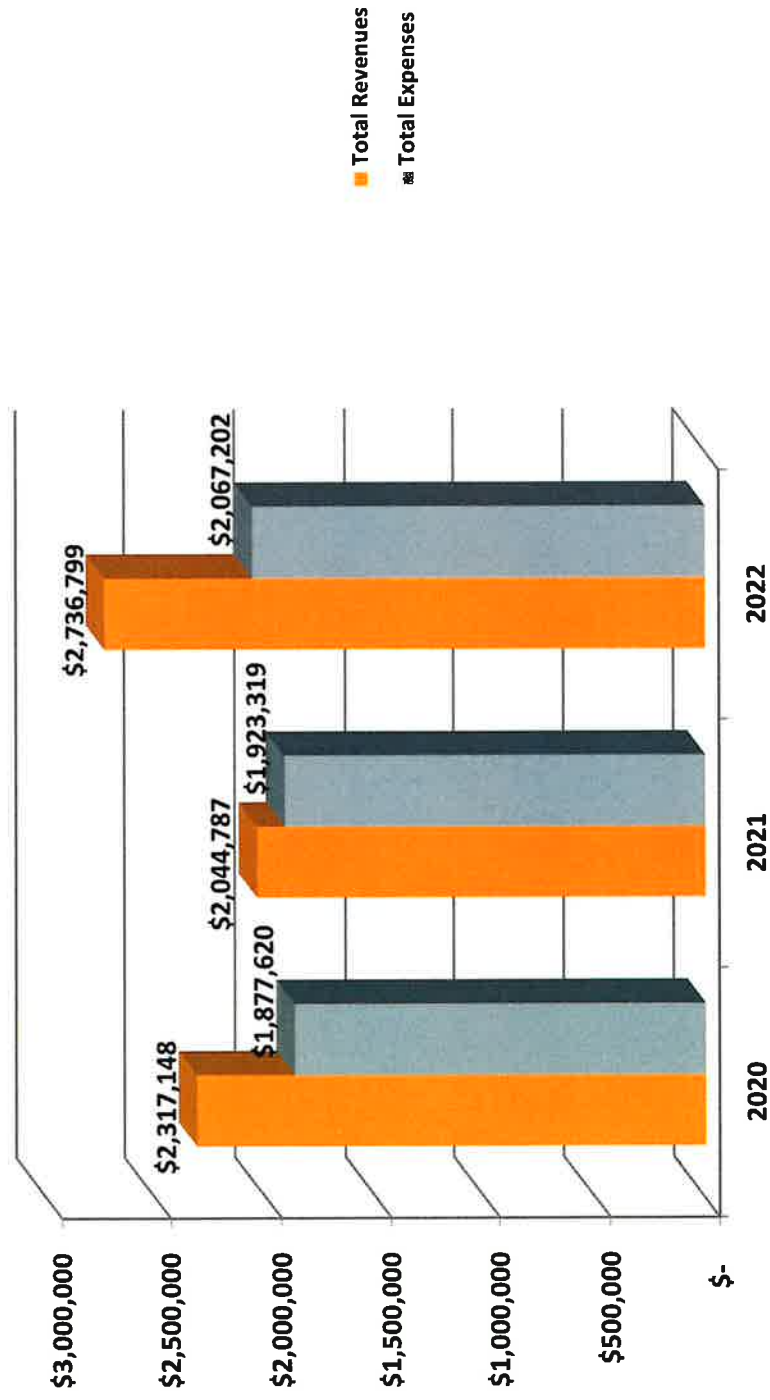
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**CITY OF SKY VALLEY,
GEORGIA**

**Review of Financial Data as
of December 31, 2022**

ASSESSMENT OF FINANCIAL CONDITION AT
THE GOVERNMENT-WIDE LEVEL

COMPARISON OF REVENUE & EXPENSES GOVERNMENT-WIDE



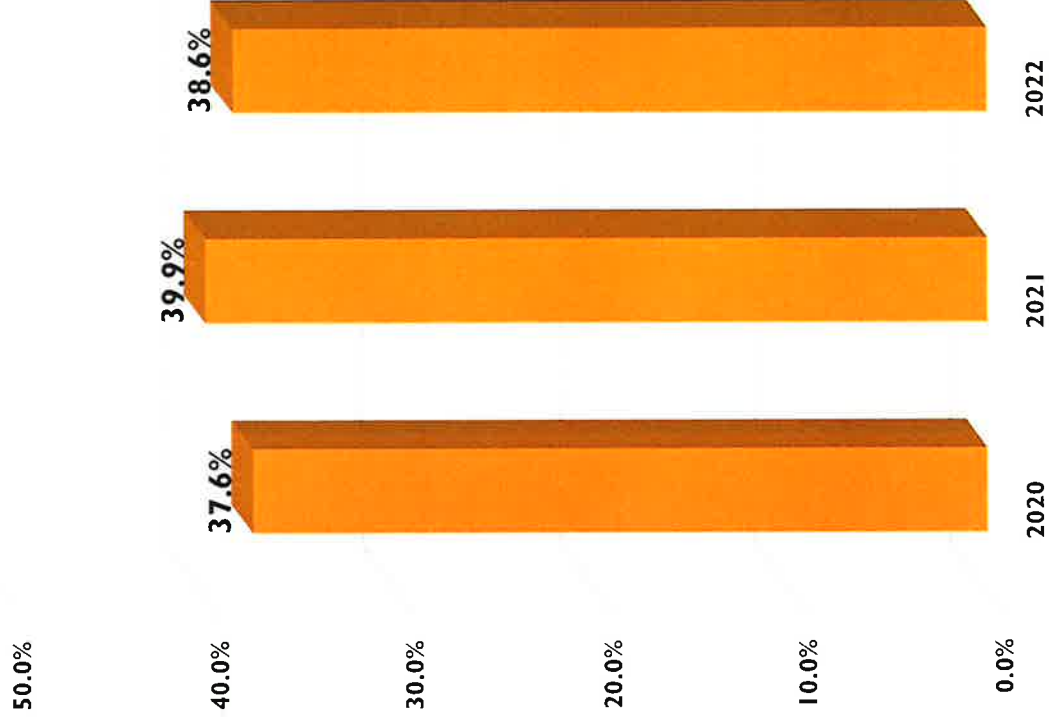
FINANCIAL PERFORMANCE

- In 2022, total revenue increased by 34%; total expenses also increased by 7% in comparison to 2021.
- In 2021, total revenues decreased by 12%; total expenses increased by 2% in comparison to 2020.
- In 2020, total revenues increased by 22%; total expenses also increased by 10% in comparison to 2019.

SELF-SUFFICIENCY

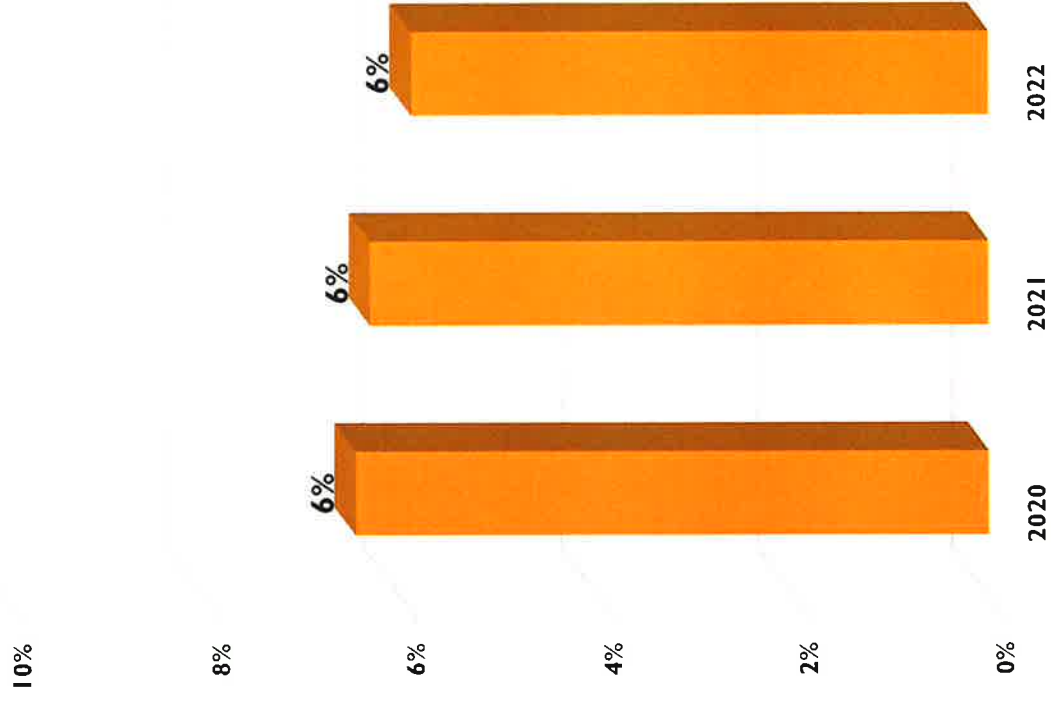
Self-sufficiency addresses the extent to which service charges covered total expenses. The charge to expense ratio is calculated as charges for services divided by total expenses.

Charges for services includes fees for water and sanitation as well as fines, licenses, permits, etc.



FINANCIAL OBLIGATIONS

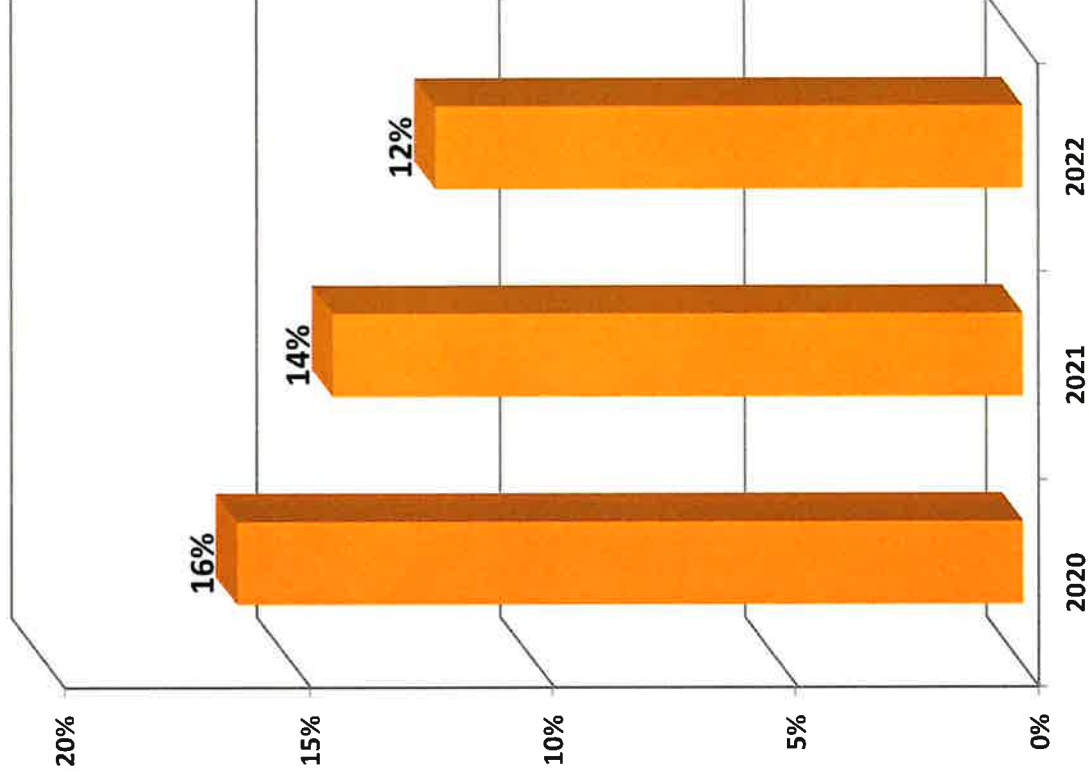
Financial obligations is measured by the debt service ratio and addresses the amount of total expenses committed to annual debt service.



LEVERAGE

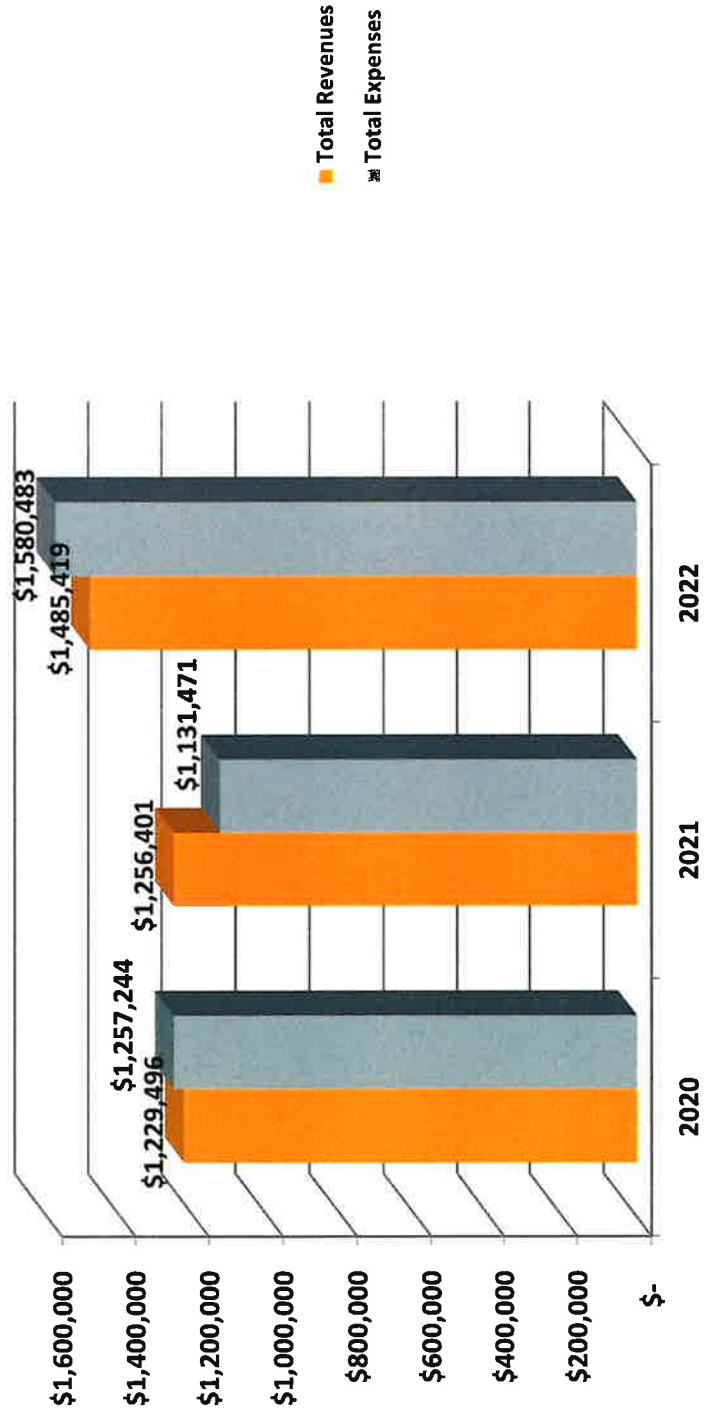
Leverage addresses the extent to which total assets are financed with long-term debt.

The City has over \$8.6 million in capital assets as of December 31, 2022. Capital assets less depreciation comprise 53% of the City's total assets.



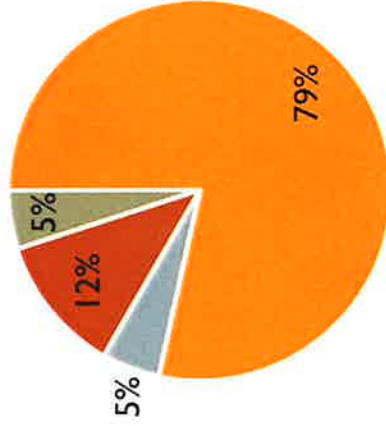
**ASSESSMENT OF FINANCIAL CONDITION FOR THE
GENERAL FUND**

COMPARISON OF REVENUES AND EXPENSES



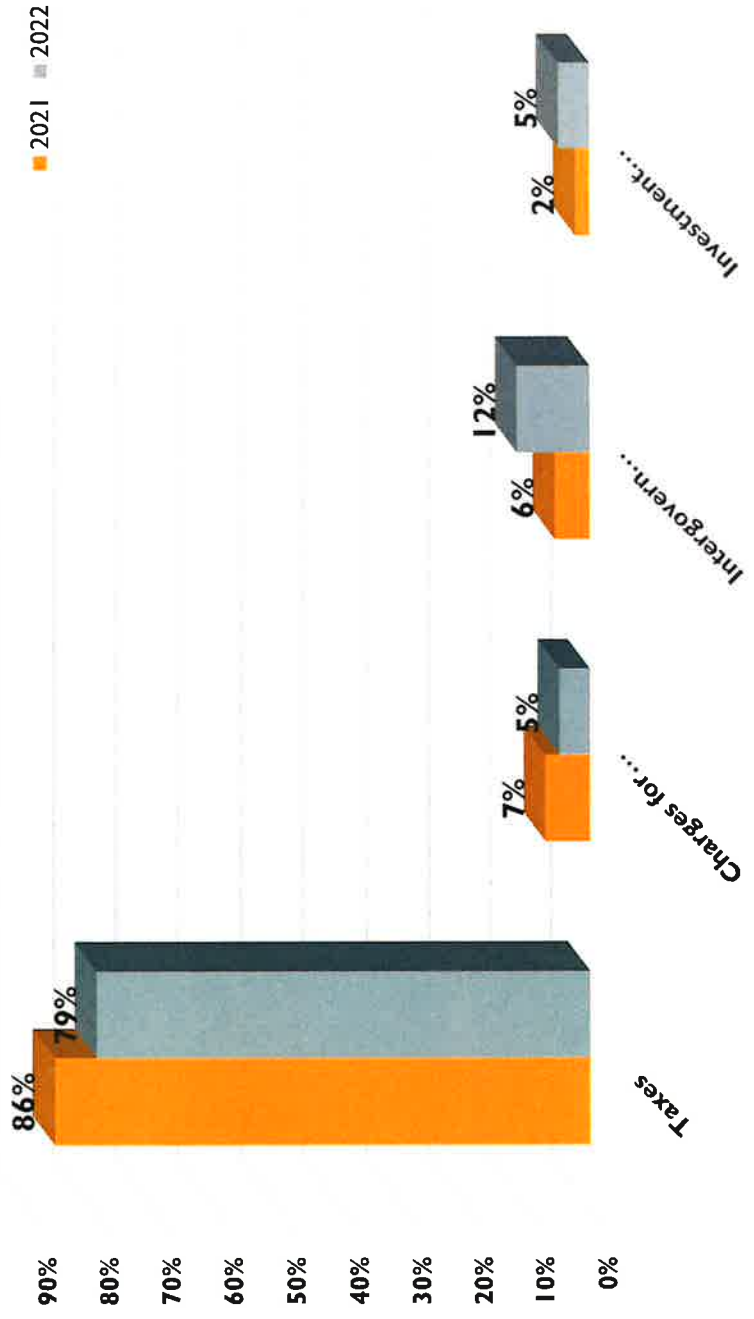
REVENUES

Of the total tax revenues, property taxes are 88%.

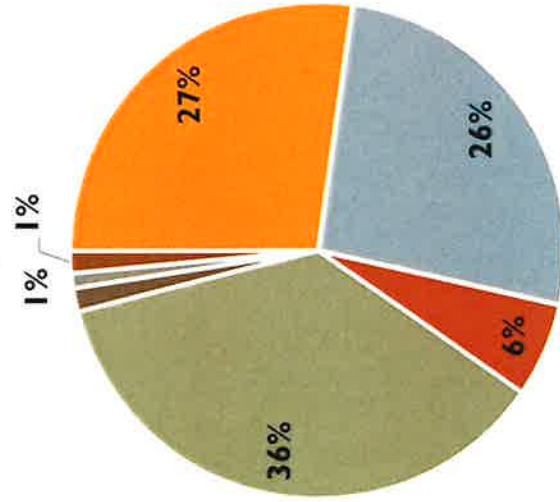


- Taxes
- Charges for Services (fines, licenses, permits, etc.)
- Intergovernmental Revenues (Grants)
- Investment Earnings/Miscellaneous (Sale of Assets, etc.)

COMPARISON OF REVENUE PERCENTAGES

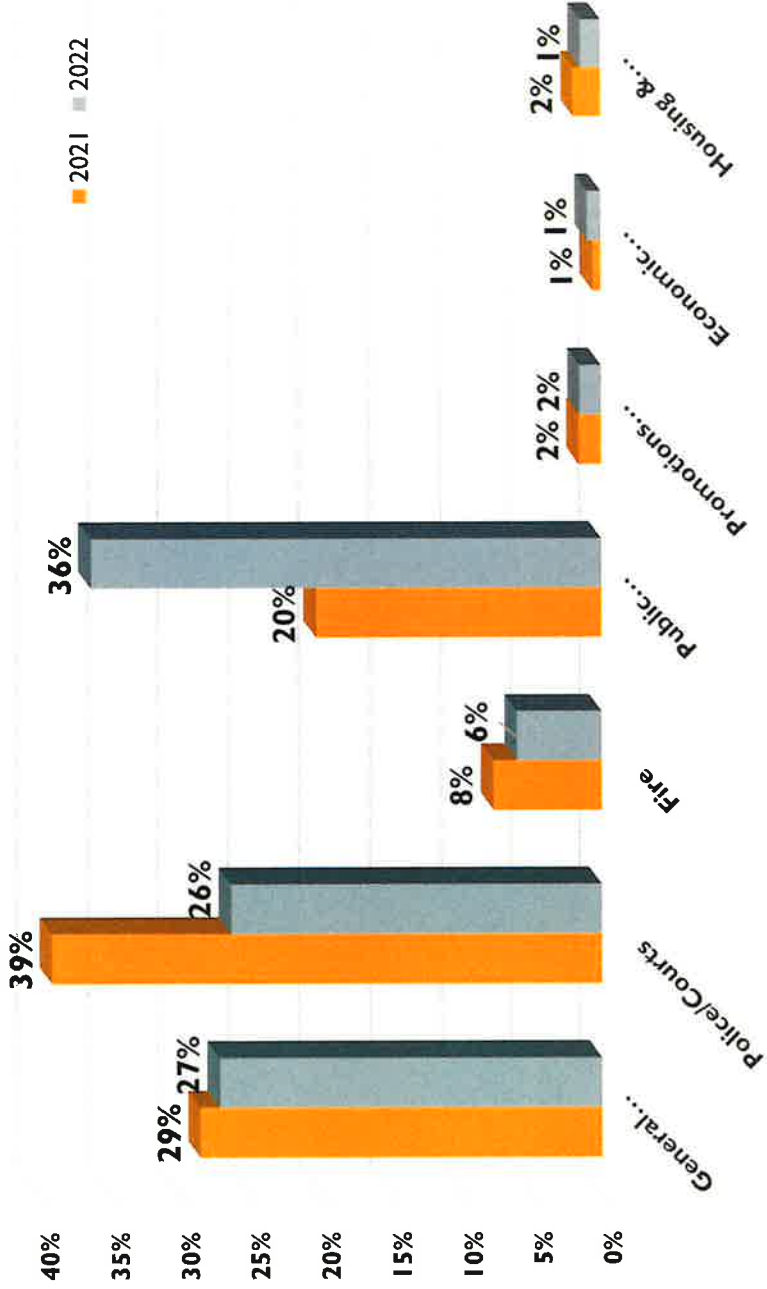


EXPENSES



- General Government
- Public Works/Streets
- Police/Courts
- Fire
- Economic Development
- Housing & Development

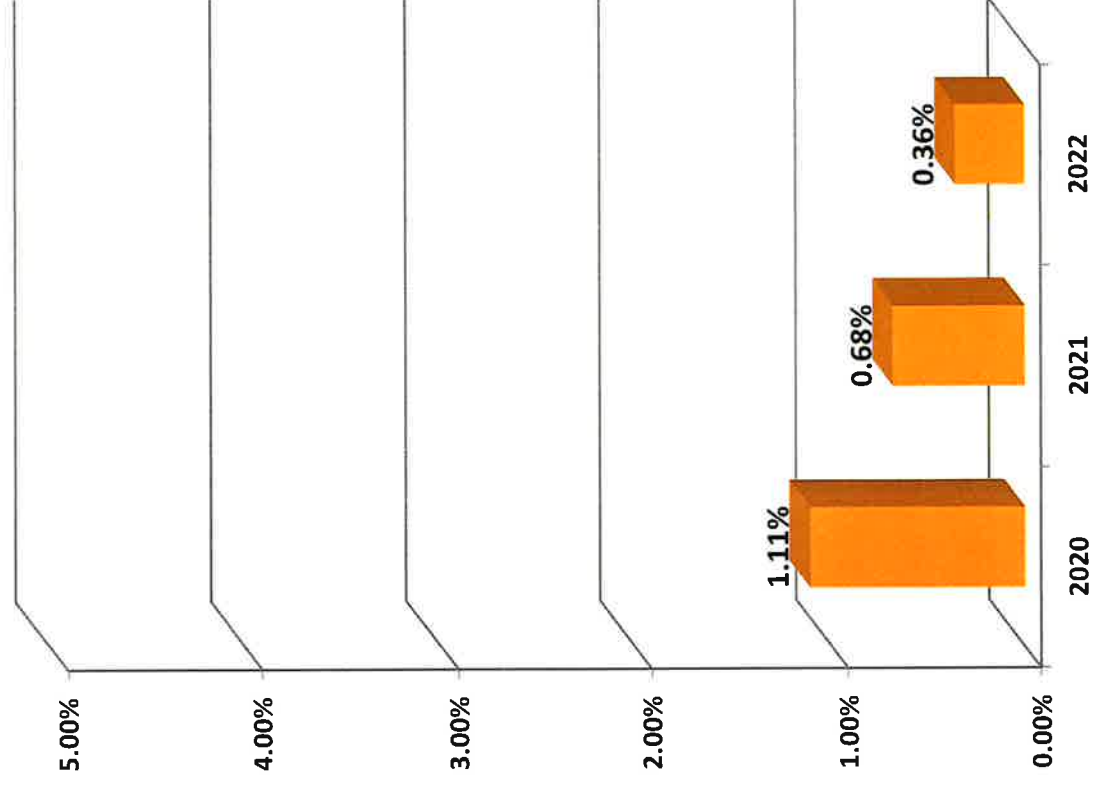
COMPARISON OF EXPENSE PERCENTAGES



LEVERAGE

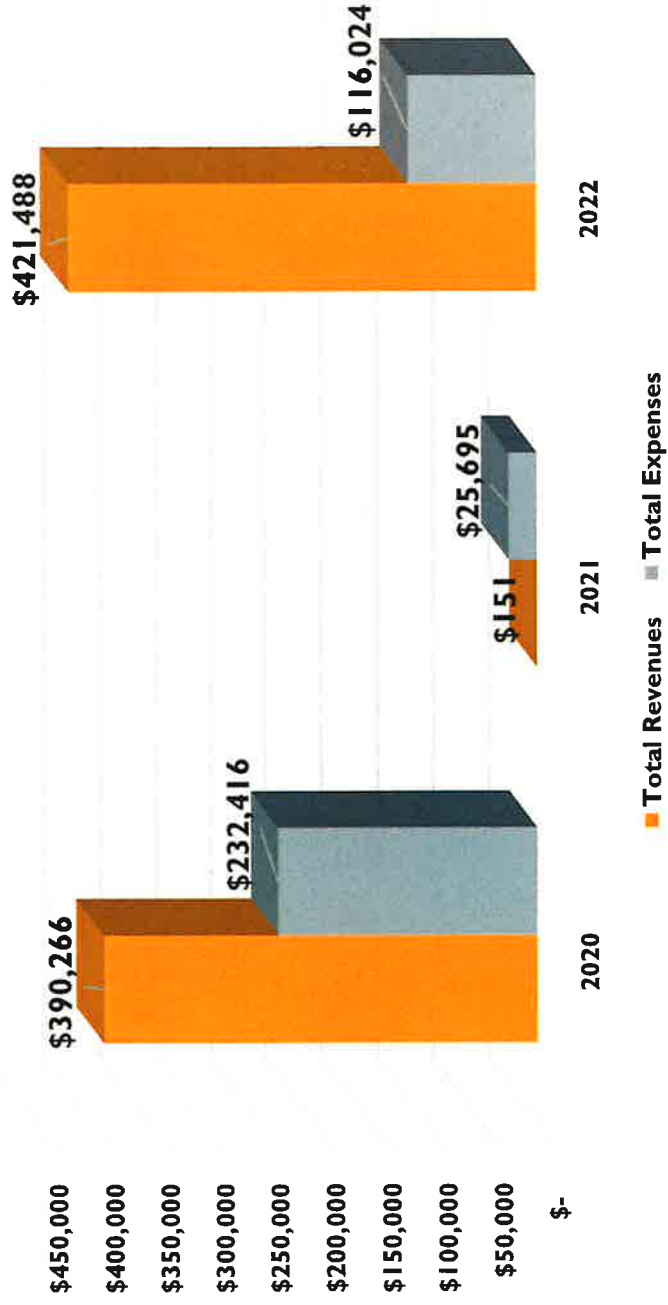
Leverage addresses the extent to which general fund assets are financed with long-term debt.

In 2019, the City obtained a capital lease for a police vehicle. This lease will be paid in full in 2023.



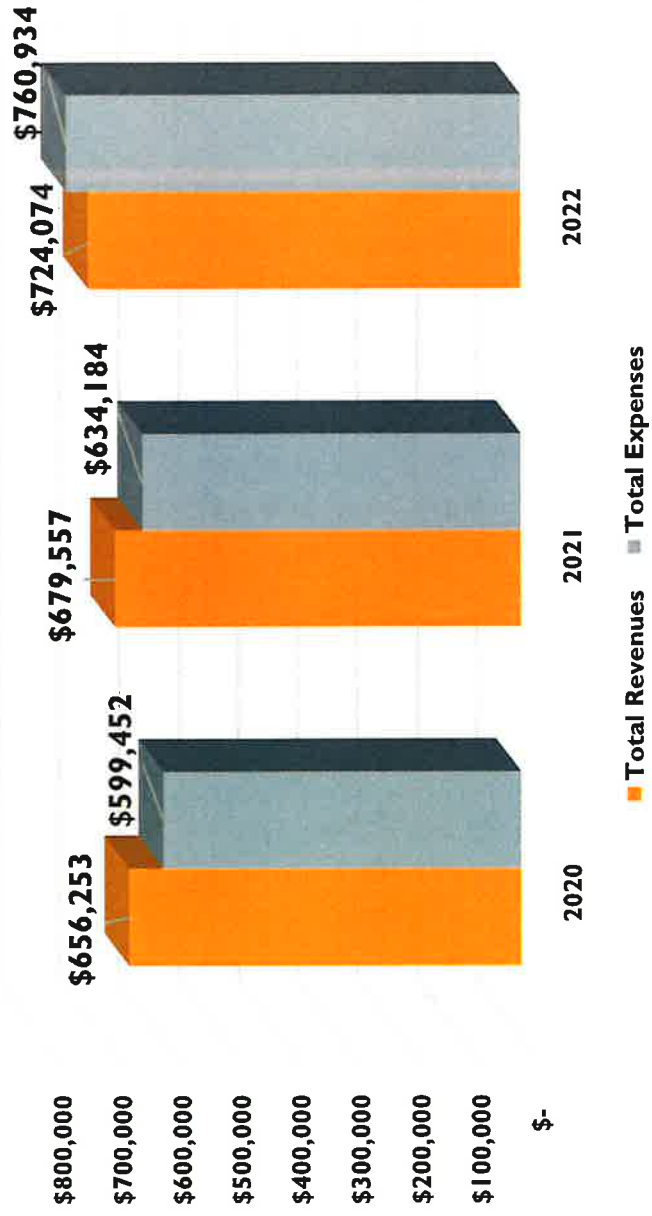
SPLOST
CAPITAL PROJECTS FUND

COMPARISON OF SPLOST REVENUES AND EXPENSES

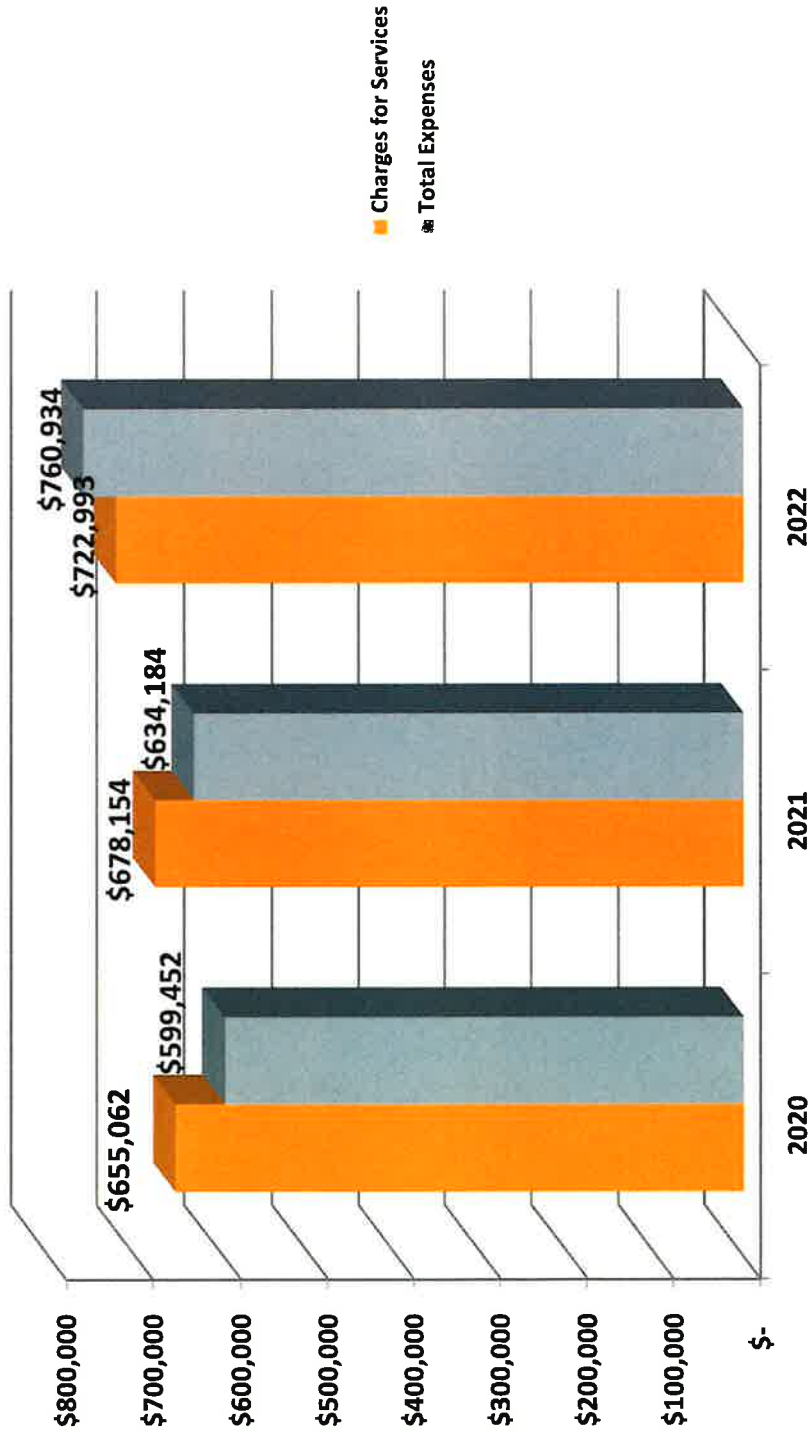


ASSESSMENT OF FINANCIAL CONDITION FOR THE
ENTERPRISE FUND

COMPARISON OF REVENUES AND EXPENSES



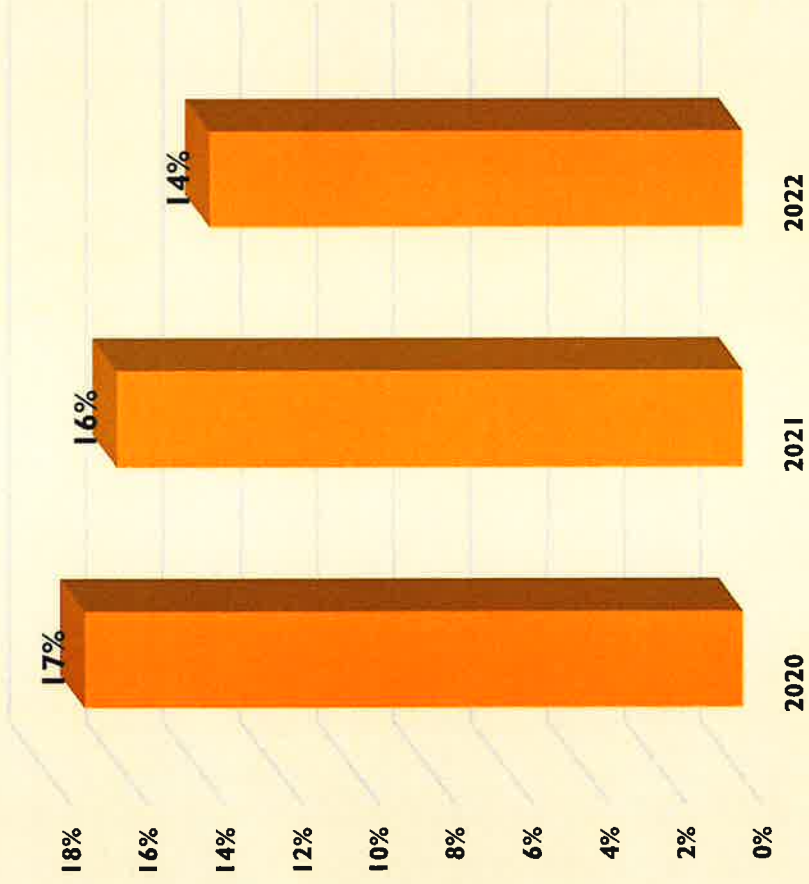
COMPARISON OF TOTAL SERVICE REVENUES TO TOTAL EXPENSES



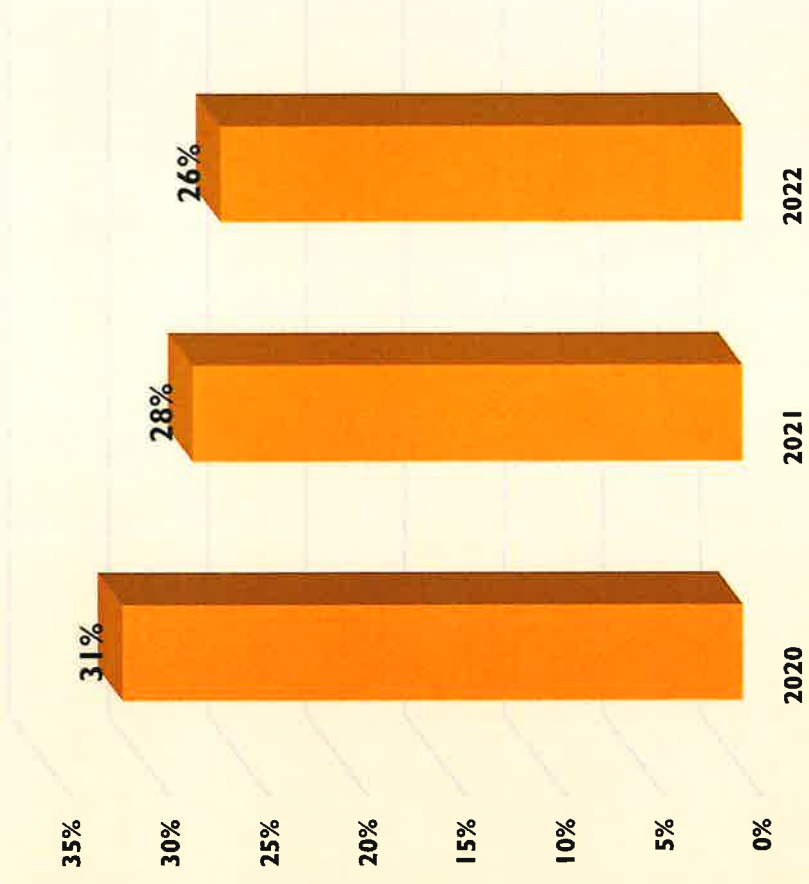
2020 – 109%; 2021 – 107%; 2022 – 95%

DEBT RATIOS

Debt Service Ratio (total debt to total expenses)

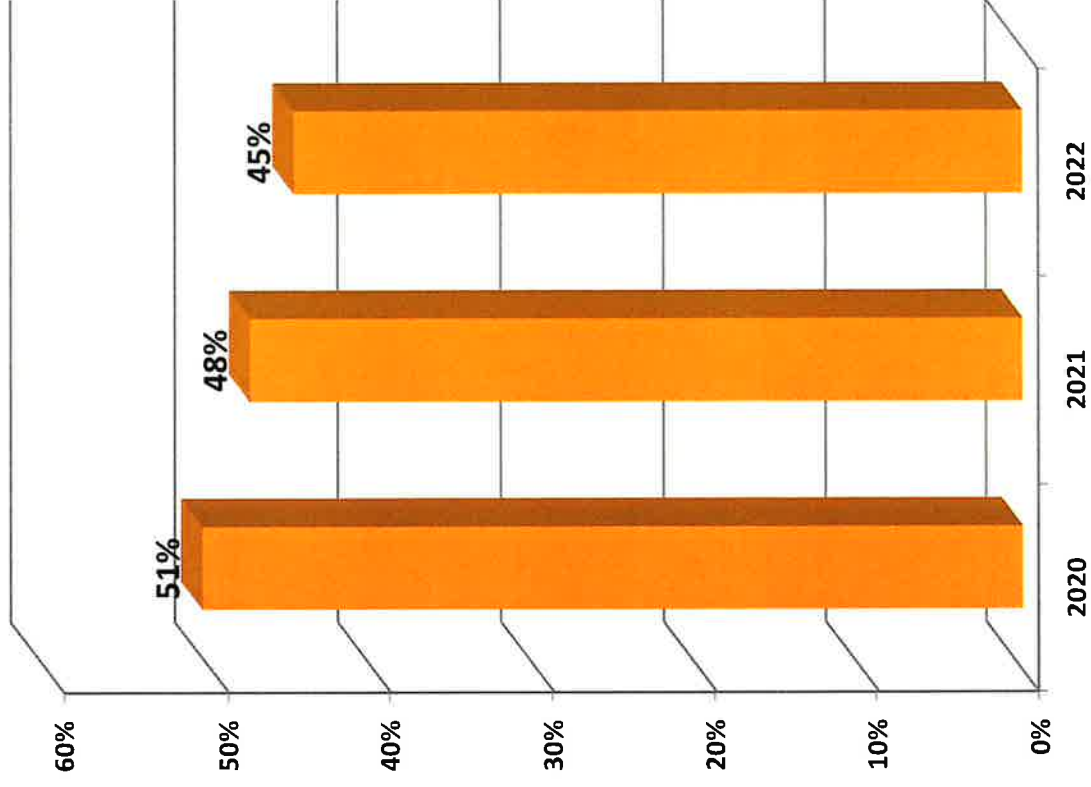


Leverage (total debt to total assets)



CAPITAL

Capital analyzes the condition of capital assets as defined by their remaining useful life. A higher ratio suggests that the City is investing in its capital assets.



AN ORDINANCE TO ESTABLISH REGULATIONS FOR SHORT-TERM RENTALS WITHIN THE CITY OF SKY VALLEY, GEORGIA; TO PROMOTE THE PUBLIC HEALTH, SAFETY, AND WELFARE AND TO PROVIDE SAFETY AND OPERATIONAL STANDARDS, AND ADMINISTRATION, LICENSING, PENALTIES, AND ENFORCEMENT

WHEREAS, the City of Sky Valley, Georgia is a municipality duly constituted and existing pursuant to Georgia law;

WHEREAS, the Constitution of the State of Georgia provides in Article IX, Section 2, Paragraph 3 that the governing authority of the City may adopt reasonable Ordinances to protect and improve public health, safety, and the welfare of the citizens of the City of Sky Valley; and

WHEREAS, the requirements contained in this ordinance are appropriate for short-term rentals to provide for the regulation, taxation, and the safety of the occupants of short-term rentals and to provide for the peace, safety and tranquility for the citizens of Sky Valley;

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED by the Mayor and Council of the City of Sky Valley, Georgia, by the lawful authority vested in them, that Section 41 is hereby added to the Code of Ordinances as the following:

SECTION 1:

Sec. 41-01- Purpose and intent.

- (a) The purpose of this ordinance is to establish regulations for the use of rental dwelling units as short-term rentals and to ensure collection and payment of required excise and occupational tax fees. *Short-term rental* means a rental period of 30 days or less. It may also refer to a property that is rented for such time periods.
- (b) This ordinance is not intended to regulate hotels or inns. This ordinance is not limited to boarding, lodging, or rooming houses, or units located within structures that are commercial in nature.

Sec. 41-02- Applicability.

- (a) It shall be unlawful for any owner of any property within the incorporated limits of the City of Sky Valley to rent or operate a short-term rental of property contrary to the procedures and regulations established in this ordinance, other provisions of Code, health department requirement(s), requirement(s) of the City of Sky Valley for water, sewage, or sanitation, or any other applicable state law or rule.
- (b) The restrictions and obligations contained in this ordinance shall apply to short-term rentals at all times during which real properties are marketed or used as short-term rentals.

Sec. 41-03- Property owner(s)

- (a) *Property owner(s).* The owner(s) or owner’s agent shall ensure the short-term rental is used in a manner that complies with all applicable codes, laws, rules, and regulations pertaining to the use and occupancy of the short-term rental unit. The owner shall further ensure occupants and/or guests of the rental do not create disturbances, engage in disorderly conduct or violate any City Code, law or rule, or regulation pertaining to the use and occupancy of the subject short-term rental unit.

Sec. 41-04- Occupational license for short-term rental and transferability.

- (a) *Required occupational license and short-term rental.*

- (1) It shall be unlawful for any owner, individual, business organization, or partnership within the incorporated limits of the City of Sky Valley to rent or operate a short-term rental unit, building, or structure without proper license or contrary to the procedures and regulations established in this ordinance, other provisions of Code, or any applicable state law.
- (2) The owner or owner’s agent shall pay the required occupation license fee and shall comply with all applicable provisions of this ordinance.
- (3) The owner shall be required to report and pay all excise fees monthly by the twentieth (20th) day of the following month on each location, unit, area, space, room, building or structure at the fee percentage approved by the city council as defined in O.C.G.A § 48-13-51.
- (4) No person, individual, or agency of a short-term rental shall rent, lease, or otherwise allow the occupation of or otherwise exchange for compensation all or any portion of a short-term rental without first obtaining an occupational license for each short-term rental and providing for payment of excise fees with the city clerk.
- (5) An occupational license for short-term rental application may be denied if the applicant has had a prior short-term rental for the same location revoked within the previous twelve (12) month period;
- (6) An owner of a short-term rental unit shall submit an application for an occupational license for short-term rental with the required information updated to the city on an annual basis. The application shall be furnished on a form specified by the city, accompanied by a non-refundable license fee as established by the city council. The requirements of the application shall be set by the policy of the City Council.
- (7) Any false or inaccurate information provided in the application may be grounds for denial or revocation of the license, including denial of future licenses.

- (b) *License fee(s)/renewal.*

- (1) The short-term rental license application shall be accompanied by an initial license application fee as set by the City Council and be subject to an annual renewal fee as set by the City Council;
- (2) All licenses granted by this ordinance shall expire one year from the date of issuance. Renewal applicants shall file a renewal application accompanied by the required fee with

the city clerk on or before the expiration date. If a short-term rental license expires due to non-renewal by the expiration date, a new application and license shall be required.

- (3) The short-term rental license is non-transferable, and should ownership of the rental property change, a new license shall be required.

Sec. 41-05- Transferability of occupational license for short-term rental.

No short-term rental license issued under this ordinance shall be transferred, assigned, or used by any other individual other than the owner for which it was assigned or upon any other location than the one for which it was issued.

Sec. 41-06- Occupancy.

The number of overnight occupants at the short-term rental shall be subject to a maximum occupancy as determined by the occupancy definition as listed International Codes, as cited in Section 8-25 of the Sky Valley Code of Ordinances.

Exceeding the maximum occupancy shall be a serious violation of the life and safety requirements of this ordinance and shall authorize the police department to remove all individuals that exceed the maximum allowable occupants for the structure or unit. Violation of this section can result in revocation of a short-term rental license.

Sec. 41-07- Life and safety minimum requirements.

The licensee shall comply with all fire and safety requirements as defined in city ordinances, NFPA 101 the Life Safety Code and the requirements of the Georgia Safety Fire Commissioner as defined in Chapter 120 and O.C.G.A § tit. 25 Ch. 12.

Sec. 41-08- Life and safety inspections.

All short-term rental units or locations shall be required to certify to the city the property complies with all fire and safety requirements as defined in city ordinance, NFPA 101 the Life Safety Code and the requirements of the Georgia Safety Fire Commissioner as defined in Chapter 120 and O.C.G.A § tit. 25 Ch. 12., prior to the issuance of any license.

The city reserves the right to inspect or authorize the inspection of the premises of any license applicant or licensee for the purpose of determining the eligibility of an applicant for a license, the eligibility of a license renewal, or to ensure the premises' compliance with state minimum standard building codes, pursuant to O.C.G.A § 8-2-26.

Sec. 41-09- Suspension or revocation of short-term rental license.

- (a) Any short-term rental license issued under this ordinance for the operation of a short-term rental shall be immediately revoked in the event the owner no longer owns the short-term rental property.
- (b) A short-term rental license shall be immediately suspended or revoked upon learning that an applicant furnished fraudulent or untruthful information in the application for license or omitted information required in the application for license or fails to pay all fees, taxes, utilities (water-sewer), or other charges imposed under the provisions of this ordinance or city codes.

- (c) A short-term rental license shall be suspended for a violation of the fire or the life safety requirements of this ordinance. Such violation shall be such that an unsafe condition exists where a fundamental safety precaution or device defined in this ordinance or adopted codes is rendered inoperable or does not exist.
- (d) Other than for those reasons set forth in parts (a), (b), and (c) of this section; suspension, revocation or forfeiture of a short-term license issued by the City of Sky Valley shall occur only after notice and opportunity for a hearing before the city council pursuant to Sections 12 and 13.

Sec. 41-10- Violation of this ordinance.

Except when defined in this ordinance requiring an appearance before city council, penalty(s) for violation of this ordinance shall be at the discretion of the municipal judge who possess the authority to fix punishment in accordance with the city Charter, ordinances, and state law or by a court of competent jurisdiction.

Sec. 41-11- Civil penalty.

The city council shall possess the authority to impose a civil penalty against any entity that is licensed for short-term rentals which may include suspension or revocation of license, fine, and forfeiture as determined for violations of this ordinance. Civil penalties shall not relieve the owner, individual, business organization, or partnership from mitigating specified violations and may include fines and penalties as may be prescribed by the municipal court or a court of competent jurisdiction.

Sec. 41-12- Enforcement.

- (a) Penalties, including notice of code violation or citation may be imposed and the short-term rental license may be suspended or revoked in the manner provided in this subsection.
- (b) Any complaints to or response by the City regarding a short-term rental shall result in a notice of the complaint and shall be directed to the owner. Such notice may be made electronically or in writing. The owner or owner's agent is required to visit the short-rental location and shall ensure that compliance is obtained within seven (7) days after verbal or written notice. **Depending on the severity of the complaint, upon request, the owner or owner's agent shall be required to immediately visit the short-term rental location to ensure compliance.**

The short-term rental shall not be occupied by renters if the violation is safety related placing occupants in an elevated risk hazard. Additionally, notice may be delivered by emergency dispatch verbally to the owner, requiring the appropriate individual to respond to the short-term rental location as may be required by police officer, law enforcement, fire department, or the zoning administrator.

- (c) The building inspector/code enforcement officer or city designee shall conduct an investigation whenever there is a reason to believe that the owner is unsuccessful either by failure or refusal to comply with the provisions of this ordinance. The investigation may include an inspection without limitation of the premises, review of response and incident report(s), online searches, review of citations or notice(s), and interview

and documentation of community members affected by the event; all of which may constitute evidence of a violation of this ordinance, Code, or state law.

Should the investigation support a finding that a violation occurred, the building inspector/code enforcement officer or city designee shall issue written notice of the violation and advance the accusation to the city council or municipal court as may be deemed appropriate. The notice shall be served by certified mail or personally and shall specify all pertinent facts (as deemed necessary by the building inspector/code enforcement officer or city personnel) to set forth grounds for the imposition of penalties or for suspension or revocation of the license.

Sec. 41-13- Hearing on denial, suspension or revocation.

Upon receipt of notice pursuant to Section 41-12 and setting forth a specific date, time, and place of hearing; the owner may appear in person to present evidence either to deny, confirm, or mitigate the accusation. A decision of the city council or municipal court may be appealed to the Superior Court of Rabun County.

Sec. 41-14- Short-term Rental Monitoring Service

The city of Sky Valley may partner with a third-party- internet-based short-term rental monitoring service or company, its affiliates, subsidiaries, and/or assignees to provide the City with address identification and rental activity monitoring of short-term rental properties in the city.

Severability clause.

Should any word, phrase, sentence, paragraph, or section of this ordinance or the application thereof to any person, individual, business organization, partnership, circumstance be held invalid by a court of competent jurisdiction; such invalidity shall not affect the other provisions of this ordinance. This ordinance is hereby declared severable.

Any modification of federal or state law or regulation which would affect a change in the provisions of this ordinance is hereby incorporated herein by reference and made a part hereof.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: This ordinance shall become effective upon the mayor affixing her signature below.

APPROVED:

HOLLIE STEIL, MAYOR

JIM CURTIS, COUNCILOR

BILL OLIVER, COUNCILOR

TONY ALLRED, COUNCILOR

TIM DARRAH, COUNCILOR

BRUCE TURNER, COUNCILOR

ATTEST:

KAREN FLEMING
CITY CLERK

APPROVED AS TO FORM:

DOUGLAS KIDD
CITY ATTORNEY

First reading and introduction August _____, 2023

Second reading and adoption September _____, 2023

STATE OF GEORGIA
COUNTY OF RABUN

ORDINANCE NO. _____

AN ORDINANCE TO AMEND PREVIOUS FEE SCHEDULE ORDINANCES, TO ESTABLISH FEES FOR CITY SERVICES, PERMITS, INSPECTIONS & MISCELLANEOUS ITEMS, TO PROVIDE PENALTIES FOR VIOLATION AND TO REPEAL ALL ORDINANCES OR PORTIONS THEREOF IN CONFLICT HEREWITH.

Sec. 14-1. - Fee schedule established.

Fees and charges to be charged and collected by the city shall be as follows:

Miscellaneous Charges	
Fax to receive & send	\$0.150 per page
Notary	\$10.00 per notarized document.
Copies	\$0.125 per copy for 8.5 x 11 or 8.5 x 14 \$0.250 per copy for 11 x 17 \$0.250 per color copy for 8.5 x 11 or 8.5 x 14 \$0.750 per color copy for 11 x 17
Address labels	\$1.00 per page
Maps of Sky Valley	Free road map
	\$5.00 for 11 x 17 color subdivision map
	\$15.00 for 24 x 30 color subdivision map
Lamination	\$2.00 per page

Alcoholic Beverage License and Permit Fees	
Distilled spirits, on-premises consumption	\$1,000.00

Distilled spirits, wholesale dealers	\$1,000.00
Distilled spirits, retail package	\$1,000.00
Beer/wine, on-premises consumption	\$100.00
Beer/wine, wholesale dealers	\$200.00
Beer/wine, retail package	\$200.00
Nonprofit permit to sell alcoholic beverages	\$25.00 or as otherwise authorized by the council

Insurers License Fees

Annual license fee upon each insurer doing business within the city	\$15.00
For each separate business location in excess of one not covered by section 22-92, which is operating on behalf of such insurers within the city	\$15.00
Insurers insuring certain risks at additional business locations. For each separate business location not otherwise subject to a license fee hereunder operated and maintained by a business organization which is engaged in the business of lending money or transacting sales involving term financing and in connection with such loans or sales offers, solicits or takes application for insurance through a licensed agent of an insurer for insurance	\$10.00 per location for the year 1996 and for each year thereafter

State Law reference— License fees, O.C.G.A. §§ 3-4-48, 3-4-110, 3-5-42.

Tree Cutting Permits

Cutting and topping	\$75 100.00 for the first 1 to 5 trees; \$15 20.00 for each tree over the first 5
Trimming/pruning	\$25 .00, but permit still required

Dead/diseased/hazardous	\$25.00, but permit still required
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Signs; Sign Permits

Outdoor for sale signs	\$25 50.00 each (must be ordered through the city)
Commercial signs/ billboards	\$100 50.00 plus \$12.00 per square foot
Redeem impounded signs	\$50.00

Water Rates

	<i>Usage (Gallons)</i>	<i>Base Charge</i>	<i>Per Additional 1,000</i>
Residential Usage ¾" Meter Monthly Minimum Regardless of Usage	0—2,000	\$39.50	
	2,001—4,999	\$44.50	\$10.00
	5,000—9,999	\$64.50	\$11.00
	10,000—14,999	\$119.50	\$12.00
	15,000—19,999	\$179.50	\$13.00
	20,000—24,999	\$244.50	\$14.00
	25,000—34,999	\$314.50	\$15.00
	35,000—49,999	\$464.50	\$16.00
	50,000 +	\$704.50	\$17.00
Multifamily and	<i>Master Meter Size</i>	<i>Base Charge</i>	<i>Per Additional</i>

Commercial Monthly Minimum Regardless of Usage			1,000
	¾"	\$45.25	\$10.00
	1"	\$69.00	\$10.00
	1.5"	\$126.50	\$10.00
	2"	\$241.50	\$10.00
	3"	\$471.50	\$10.00
	4"	\$586.50	\$10.00
	6"	\$701.50	\$10.00
	8"	\$931.50	\$10.00
	10"	\$1,161.50	\$10.00
Meter turn-on/off	\$10 30.00 per request during normal business hours of 8AM-4PM Mon-Fri \$200.00 per request for weekend, holiday, or after hours		
Water service deposit	\$1 250.00 renter deposit		
Penalties for late payments	Nonpayment by the due date will be subject to a penalty of 10% per month		
Reconnection fee	Nonpayment for 60 days will subject service to termination. Reconnection fee is \$75 100.00 plus all minimum charges accrued while disconnected		
Water connect fee	¾" line tap and meter	\$25 3,000.00	
	1" line tap and meter	\$5,000.00	
	2" line tap and meter	\$10,000.00	
	3" line tap and meter	\$15,000.00	

	Connections to distribution line when not adjacent or parallel to property line or undeveloped parts of the city	Actual cost of materials and labor to run line including pavement repairs
Water connection and rate for outside city limits	1.5 times the corresponding rate for inside city limits	
Relocation of existing meter	\$153,000.00	

Solid Waste Collection

	\$23.00 per month curbside, recycling, and access to the city compactor and bagged yard waste and chipping service
Garbage collection as defined by the trash ordinance —monthly minimum regardless of usage	\$23.00 per month/per unit for multifamily units sharing a dumpster. \$30.00 per month for back door service or other alternate location (requires statement of disability by occupant)
Illegal use of compactor/illegal dumping	\$1,000.00 fine Local ordinance set by city judge
Chipping Yard debris removal as defined by the trash ordinance	\$100.00 per hour and shall be billed in with the first 15-minute increments and will be added to the water and trash bill month included in garbage fee
Removal or returning of refuse containers by the city as defined in the trash ordinance	\$12.00 \$30.00 per occurrence
Removal of accumulated, loose, scattered,	\$12.00 \$100.00 per hour and shall be billed in 15-

or unbagged refuse or trash containers by the city as defined in the trash ordinance	minute increments and will be added to the water and trash bill and/or a lien shall be applied to the property for the cost of cleanup.
Delivery of wood chips	\$500 25.00 per 3-yard truck load

Traffic

Personal transportation vehicle (PTV) registration	\$125.00 annual registration
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Housing and development fees; Planning and zoning applications

Annexation and map amendments	\$500.00
Re-zoning and map amendments	\$500.00
Conditional use	\$250.00
Variance	\$250.00

Land Development Review, Inspection and Permits

Concept plan	\$500.00
Preliminary plat/site plan	\$500.00 or \$10.00/lot, whichever is greater
Water line review/inspection	\$750.00 or \$15.00/lot, whichever is greater
Road design review/inspection	\$750.00 or \$15.00/lot, whichever is greater

NPDES permit fee for LIA (city)	\$40.00 per each disturbed acre
NPDES permit fee for GA EPD	\$40.00 per each disturbed acre
Land disturbance permit	\$50.00 < 10 acres; \$150.00 for 10 acres to 25 acres; \$200.00 plus \$5.00 for each acre over 25
Final plat	\$350.00 or \$7.00/lot, whichever is greater

Site/Plot Plan and Erosion and Sedimentation Control (For All Land Disturbance)

Soil erosion and sedimentation control monitoring and enforcement for all land disturbance	\$100.00 for 1 acre or less, plus \$50.00 per acre for each additional acre or portion thereof
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Demolition

(Requires performance bond = to 135% of cost of demolition)

Demolition	\$0.10 per square foot (bond required); sf to be determined from tax assessor's website unless building plans are made available or information not available
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Preliminary Building Plan Review and Site Visits

(To be paid at the time of request and deducted from the price of the permit when application is made)

Plan review	\$0.00
Site visit	\$0.00

Building Permits (Residential and Commercial)

Mechanical, electrical, and plumbing permits will require a separate permit to be pulled by state-licensed and insured contractor. Roofing permits will require a separate permit to be pulled by insured contractor.

New construction and additions to heated square footage	\$1.00 per square foot or portion thereof (Fee waived for 2015)
Remodeling (50% or more of structure) Must be brought up to code	\$7 150.00
Remodeling (50% or less of structure)	\$75.00
Un Finished areas (basements) Must be brought up to code when 50% or more is being replaced or repaired	\$7 150.00
Unfinished areas (basements) New construction	\$1 per square foot or portion thereof
New installation- Decks/railings/landings/stairs or Remodeling/replacing 50% or more of structure that must be brought up to current code	\$75 0.00

Remodeling/repairing/replacing- Decks/railings/landing/stairs 50% or less of structure	\$25.00
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Roofing Permits (Residential and Commercial)

New installation and replacement 50% or more of structure must be brought up to current code	\$75.00
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Repairs /replacement 50% or less of structure	\$25.00
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Mechanical Permits (Residential and Commercial)	
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Mechanical (new or add-on)	\$275.00
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Mechanical (repair or replace) no new lines or venting	\$25.00
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Plumbing Permits (Residential and Commercial)	
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Plumbing (new or add-on)	\$275.00
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Plumbing (repair or replace) no new lines or piping	\$25.00
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Hot water heater change-out	\$25.00
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Gas Permit (Residential and Commercial)	
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Gas piping (new or add-ons)	\$275.00
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Gas piping (repair or replace) no new lines or piping	\$25.00
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Electrical Permits (Residential and Commercial)	
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Electrical (new or add-ons)	\$275.00
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Electrical (repair or replace existing) no new lines or wiring	\$25.00
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Other Miscellaneous Building Permits	
Generator new or add on change-out	\$750.00
Door/window change (resize)	\$250.00
Jacuzzi/ Hot tub change-out new	\$250.00
Hot tub /swimming pool install	\$150.00
Cell tower	\$21,500.00
Application for exemption from state water efficiency requirements of O.C.G.A. § 8-2-3 under the circumstances enumerated in O.C.G.A. § 8-2-3(e), for plumbing fixtures for new construction and the repair or renovation of an existing building	\$50.00 for the inspection and issuance of such exemption

Wetlands Application Review

Filing fee to be used to retain expert consultants who will provide services pertaining to functional assessment, mitigation, and wetland boundary determinations, as deemed necessary by the building inspector.	Up to the larger of \$500.00 or \$100.00 per acre may be required to evaluate the application
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Retaining Walls

Retaining walls > 4 ft. from bottom of footing to top of wall	\$100.00
Other poured concrete	\$50.00

Re-Inspection Fees, Penalties and Fines

Re-inspection fee—1st and 2nd	No charge \$25.00 1 st , \$50 2 nd
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Re-inspection fee—3 or more	\$ 5 100.00 each
Penalty for starting work without a permit	Permit fee will be doubled for first offense, \$50.00 minimum
Falsifying a permit or repeat violation for starting work without a permit	Violator will be cited and subject to a fine of no more than \$1,000.00 Local ordinance set by city judge

Short term rental – 30 days or less
 An occupation or short term rental license is valid for one year from date of issue.

Occupation license	\$50.00
Initial license application	\$250.00
Annual license renewal	\$250.00
Operating short term rental without a license	Local Ordinance set by City judge

(Ord. No. 91-4, § 5, 4-1-1991; Ord. No. 95-2, § I, 1-9-1995; Ord. No. 95-14, §§ 1, 2, 12-4-1995; Ord. No. 96-25, § 1-15, 12-2-1996; Ord. No. 01-05, § VII(d), 6-29-2001; Ord. No. 01-08, 9-5-2001; Ord. No. 13-02, § I, 7-15-2013; Ord. No. 13-04, § I(21), 10-21-2013; Ord. No. 14-05, § 1(1200), 5-27-2014; Ord. No. 18-08, § I, 12-13-2018)

Sec. 14-02. – Effective date.

This ordinance shall take effect on October 1, 2023.

Sec. 14-03.- Conflicting Ordinances.

City ordinance 92-15, 94-4, & 92-25 and all other ordinances and parts of ordinances in conflict herewith are hereby repealed.

Sec. 14-04.- Severability clause.

Should any word, phrase, sentence, paragraph, or section of this ordinance or the application thereof to any person, individual, business organization, partnership, circumstance be held invalid by a court of competent jurisdiction; such invalidity shall not affect the other provisions of this ordinance.

APPROVED:

HOLLIE STEIL, MAYOR

JIM CURTIS, COUNCILOR

BILL OLIVER, COUNCILOR

TONY ALLRED, COUNCILOR

TIM DARRAH, COUNCILOR

BRUCE TURNER, COUNCILOR

ATTEST:

APPROVED AS TO FORM:

KAREN FLEMING
CITY CLERK

DOUGLAS KIDD
CITY ATTORNEY

First reading and introduction August _____, 2023

Second reading and adoption September _____, 2023

STATE OF GEORGIA

ORDINANCE NO. _____

COUNTY OF RABUN

Chapter 30 - SOLID WASTE¹¹

CITY OF SKY VALLEY, GA

SOLID WASTE ORDINANCE

AN ORDINANCE TO AMEND **PREVIOUS SOLID WASTE ORDINANCES, TO DEFINE TERMS AND PHRASES RELATING TO THE COLLECTION AND DISPOSAL OF TRASH, WASTE AND GARBAGE; TO REGULATE THE RECEPTACLES AND CONTAINERS FOR THE SAME; TO PROVIDE FOR THE MANNER OF PREPARATION OF THE SAME FOR COLLECTION; TO PROVIDE FOR THE MANNER OF COLLECTION OF CONSTRUCTION MATERIAL, TRASH AND GARBAGE FROM COMMERCIAL ESTABLISHMENTS AND PLACES OF RESIDENCE; TO PROHIBIT THE DEPOSIT OF TRASH, DEBRIS OR LITTER UPON VACANT LOTS; TO PROHIBIT BURYING REFUSE, POLLUTING WATERS, OR SPILLING TRASH, GARBAGE AND OTHER DEBRIS UPON CITY STREETS; TO PROVIDE FOR KINDS OF COLLECTION SERVICE TO BE OFFERED, THE DAYS OF COLLECTION AND A SCHEDULE OF CHARGES THEREFOR; TO PROVIDE PENALTIES FOR VIOLATION AND TO REPEAL ALL ORDINANCES OR PORTIONS THEREOF IN CONFLICT HEREWITH.**

The Council of the City of Sky Valley hereby ordains:

Footnotes:

--- (1) ---

State Law reference— Georgia Comprehensive Solid Waste Management Act, O.C.G.A. § 12-8-20 et seq.; local solid waste management plans, O.C.G.A. § 12-6-31.1; litter control, O.C.G.A. § 16-7-40 et seq.

ARTICLE I. - IN GENERAL

Secs. 30-1—30-18. - Reserved.

ARTICLE II. - COLLECTION

Sec. 30-19. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Business trash means every waste accumulation of dust, paper, paper cartons, cardboard cartons, excelsior, rags, or other accumulations, other than garbage or household trash, which are usually attendant to the operation of stores, offices, and similar businesses.

Commercial establishment means any hotel, motel, restaurant, food store, hospital, school, church, business or any nonresidential establishment at which garbage or trash may be generated.

Exposed materials and equipment means any accumulation of materials, including waste building materials, new building materials not associated with ongoing building projects, building materials other than those stored in authorized outdoor storage yards, and similar materials; and any accumulation of used or new equipment, such as refrigerators or other appliances, plumbing fixtures or equipment, generators, small commercial trailers, and similar equipment, stored out of doors and exposed to view from any public street or right-of-way.

Foreign material means construction or building waste, and includes such materials as sand, stone, brick, wood, concrete, metal, plaster, concrete or plaster block, paving, roofing, pipe, shingles, lawn renovating debris, sod, dead sod, tree stumps, discarded furniture, large household appliances such as stoves, refrigerators, air conditioners, washing machines, clothes dryers, water heaters, mattresses and television sets.

Garbage means every waste accumulation of animal or vegetable matter which attends the preparation, use, cooking processing, handling, or storage of meats, fish, fowl, fruits, vegetables, or other matter which is subject to decomposition, decay, putrefaction, or the generation of noxious or offensive gases or odors, or which during or after decay, may serve as breeding or feeding material for flies, insects, or animals.

Household trash means every waste accumulation of paper, sweepings, dust, rags, bottles, cans, diapers or other matter of any kind, other than garbage, which is usually attendant to housekeeping.

Industrial waste means every waste accumulation of metal, metal products, minerals, chemicals, rocks, concrete, asphalt tar, oil, grease, glass, crockery, rubber tires, bottles, cans, lumber, ashes, sawdust, wastes from animal packing or slaughterhouses, or other materials usually created by commercial enterprises, and industrial plants, but not garbage, household trash, or business trash.

Living unit means any place of abode which is suitable for permanent or transient family or individual residence use. Each such living unit shall be considered as single and separate for the purposes of this article.

Multifamily units means all places of abode other than single-family residences.

Refuse means solid waste accumulations consisting of garbage, household trash, and business trash.

Single-family residence means any single-family dwelling or living unit, and is interchangeable with the term "household" and includes single-family condominium units.

Tree trimmings means every waste accumulation of tree branches, tree trunks, tree limbs, parts of trees, bushes, or shrubs, greenleaf cuttings, fruit, or other vegetation.

Yard trash means every waste accumulation of lawn, grass, or shrubbery cuttings or clippings and dry leaf rakings, free of dirt, rocks, large branches, and bulky or noncombustible material.

(Ord. No. 96-25, § 1-1, 12-2-1996)

Sec. 30-20. - Receptacles and containers—Required.

It shall be the duty of every person in possession, charge, or control of any place in or from which business trash, foreign material, garbage, household trash, industrial waste, tree trimmings, and yard trash is created, accumulated, or produced, to provide and at all times to keep in a suitable place readily accessible to the city collection crews or private collection agencies, adequate and suitable receptacles and containers capable of holding all such waste materials which would ordinarily accumulate between the times of successive collections. The owner of any multifamily units shall furnish or require tenants to furnish proper waste receptacles and containers.

(Ord. No. 96-25, § 1-2, 12-2-1996)

Sec. 30-21. - Receptacles and containers—Specifications.

(a) *General design, maintenance and condition.* All receptacles and containers as required under this article shall be of safe construction and design and shall be maintained in good and serviceable condition. Any receptacles or containers which do not conform to the provisions of this article or which have ragged or sharp edges or any other defects which are reasonably liable to hamper or injure the person collecting the contents thereof or the public generally shall be promptly replaced upon notice. All refuse containers are to be provided by the customer and are to be maintained by the customer at the customer's expense. ~~except as noted below in subsection (c) of this section.~~

(b) Refuse containers ~~may~~ shall be of the following construction and materials:

~~Option 1: Each single family residence shall provide two (2) in ground containers. Containers shall have a capacity of not less than 25 gallons or more than 32 gallons per container. Containers shall be of two piece construction with a removable inner liner equipped with handles or bails to allow for easy removal and shall be equipped with tight fitting cover or~~

~~lids and shall be watertight. The City shall not be required to collect the contents of more than two approved containers.~~

~~Option 2: In lieu of Option 1 above, e~~

Each single-family residence shall provide a maximum of two (2) approved refuse containers, ~~no more than two (2) refuse containers~~ which shall be constructed of heavy plastic material- not to exceed ninety-six (96) gallons total. ~~and shall have not more than thirty two (32) gallons.~~ Each container(s) ~~or cans~~ shall be equipped with suitable handles, tight-fitting covers or lids with hand grips and shall be watertight and animal resistant.

The City shall not be required to collect the contents of more than what can be held within the total ninety-six-gallon (96) container(s) with the top lid(s) or cover(s) fully closed. ~~Customers selecting this option in ground containers shall be required to remove or otherwise make inoperative any existing in-ground containers and the City will not be responsible for removing any trash placed in these in-ground containers.~~

In-ground containers existing at the adoption of this ordinance shall not be allowed to be used for trash pickup after the effective date of October 1, 2023. After the effective date, only approved refuse containers as defined within this ordinance shall be allowed.

(e) Optional containers for multi-family units:

Each individual unit within a ~~M~~multi-family units with a capacity of more than two living units shall be allowed up to what is allowed for a single-family residence of this ordinance. As an alternative, a single-master dumpster no larger than eight (8) cubic yards may be utilized for all multi-family units as long as the dumpster is properly secured and screened. ~~required to use Option 1 above or, at the sole discretion of the City, may use containers of not less than two (2) or more than eight (8) cubic yard capacity. These containers shall be of the proper dimensions as specified by the city and shall be compatible with the city's collection equipment.~~

~~These~~ All containers utilized by multi-family units shall be located so as to be easily accessible by the city's equipment and shall be enclosed within a suitable opaque fence or otherwise hidden from view. ~~The city may, at the sole discretion of the city, provide such containers at the city's expense.~~

(Ord. No. 96-25, § 1-3, 12-2-1996; Ord. No. 97-7, § 1, 4-7-1997)

Sec. 30-22. – Pre-collection practices.

(a) *Dangerous trash items.* All dangerous trash items, and all waste material of an injurious nature, such as broken glass, light bulbs, razor blades, sharp pieces of metal, fluorescent tubes, television tubes, and the like shall be securely wrapped to prevent injury to the collection crews.

- (b) *Yard trash.* The city will not collect yard trash; as defined by this ordinance and as part of the garbage collection program.
- (c) *Tree trimmings.* The city will not collect tree trunks, tree stumps, tree branches, or tree limbs of any size as part of the garbage collection program.
- (d) *Foreign material and industrial waste.* The city will not collect foreign material or industrial waste as defined by this chapter, all of which must be properly disposed of by the owner or person, firm, or corporation responsible therefor.

(Ord. No. 96-25, § 1-4, 12-2-1996)

Sec. 30-23. - Accumulation for collection.

All accumulations of refuse and trash shall be contained in plastic bags, **not over filled and of a durable nature so as to not rip or tear** and shall be stored or placed for collection in accordance with the ~~following~~ provisions **of this ordinance. The City reserves the right to not collect refuse or trash from customers whose bags are ripped or torn or whose bags rip or tear during the action of refuse or trash collection by City personnel. Additionally, loose, scattered, or unbagged refuse or trash shall be the responsibility of the tenant or property owner to clean up immediately upon request by the city and to properly secure prior to the City picking up for collection. Furthermore, loose, scattered, or unbagged refuse or trash shall be subject to Sec. 30-36.**

- (1) *Public streets and private property.* No person shall place any accumulations of refuse and trash in any street, alley, or other public place of travel, nor upon any private property except the person's own property, except on the days when it is scheduled to be collected. For customers selecting the standard service option, the placement for collection shall be in the area not more than 20 feet from the street pavement and the approved containers must be easily visible **and conspicuous** from the street.
- (2) *Blockage of storm drains.* No person shall place any refuse, trash, garbage cans, or trash bags on, upon, or over any storm drain, or so close thereto as to be drawn by the elements into such drain, which would result in or tend to cause a blockage of any part of such storm drainage system.
- (3) *Unauthorized accumulations.* Any unauthorized accumulation of refuse, business trash, foreign material, or industrial waste, on any lot, property, premises, public street, alley, or other public place of travel is prohibited. In addition, any unauthorized accumulation of exposed materials and equipment on any commercially-zoned property is prohibited. Failure to remove and correct any such unauthorized accumulations of refuse shall be deemed a violation of this article, and shall be subject to the penalties described in section 30-36.

- (4) *Waste building materials.* Notwithstanding subsection (3) of this section, waste building materials, defined as foreign material by this article, shall be permitted to be stored for a period of up to 60 days at ongoing building sites under the following conditions:
- a. No such materials may be located within rights-of-way or on private property other than that of the building site;
 - b. No material which could be moved by the elements, such as paper, rags, cloth, or other fibers, shall be stored at the site for an unreasonable length of time; and
 - c. All waste building materials shall be removed and property disposed of when a project has been completed.

(Ord. No. 96-25, § 1-5, 12-2-1996)

Sec. 30-24. - Collection practices and services.

- (a) The city shall provide refuse collection service to each business establishment, residence, or living unit within the city's corporate limits which is occupied a part of each fiscal year. If any structure shall have more than one family or business occupying it, the city shall provide such service to each occupant of the structure. Except in the event of inclement weather or other acts of God, each customer shall receive refuse pickup service not less than once a week.
- (b) The schedule for refuse collection and the charges the city shall levy against each customer shall be as determined from time to time by the city council and posted at city hall. ~~Any customer may petition the City for more frequent collection of refuse from his premises and the City may, at the discretion of the City Council, provide such increased services upon such terms as the Council may reasonably require.~~ In the case of new structures, a refuse collection charge shall be levied upon issuance of a certificate of occupancy.
- (c) No ~~above-ground~~ **approved trash** receptacles shall be placed for collection before 6:00 AM on the day of collection. **Approved** ~~bove-ground~~ receptacles ~~shall~~**ould** be placed for collection no later than 8:00 AM on the day of collection to insure collection. All **approved** ~~bove-ground~~ receptacles shall be removed from their positions adjacent to the street or sidewalk after the contents have been emptied on that same day. It shall be unlawful for any person to damage, displace, or otherwise interfere with refuse containers or their contents except the owner or upon permission or at the request of the owner.
- (d) Notwithstanding the foregoing, the city reserves the right to reject the collection of certain specific categories of refuse, in accordance with mandatory state or county solid waste regulations, or in accordance with any recycling program the city may adopt, including materials such as cardboard, aluminum, glass, or plastics. Upon adequate notice to its customers, the city may require such refuse to be separated from other refuse and/or disposed of by the customer.

- (e) The city shall provide standard collection service and premium collection service, one of which shall be selected by the customer, ~~for the charges specified, all as described and provided in exhibit A to Ordinance No. 96-25, which is incorporated herein as part hereof.~~

(Ord. No. 96-25, § 1-6, 12-2-1996)

Sec. 30-25. - Special collections.

- (a) Any property owner desiring special bulk collections of tree trimmings and/or yard trash ~~not in closed containers or tied in bundles~~ may request a special collection, which shall be scheduled through the office of the city clerk. If sufficient manpower and equipment is available, city personnel are authorized to make such special collections, provided the person making the request agrees to pay for the labor and equipment used at the rate specified by the city ~~council clerk~~.
- (b) No collection shall be made from vacant lots, nor shall any large rocks, tree trunks, tree stumps, tree limbs, or other heavy objects be collected by the city. No waste building materials or lot clearings shall be collected from houses or other structures under construction or recently completed.
- (c) Material to be collected by special collections shall be placed in neat piles and so located that such refuse can be easily loaded on trucks for disposal.

(Ord. No. 96-25, § 1-7, 12-2-1996)

Sec. 30-26. - Construction material not city's responsibility.

The city shall not be responsible for the collecting or hauling of trash, discarded building material, dirt, rock, plaster, lumber, metal, or other like materials originating from private property preliminary to, during, or subsequent to the construction of new buildings, alterations, or additions to existing buildings of whatsoever type. Such material shall be removed by the owner of the property or by the contractor. No certificate of occupancy shall be issued until such material has been removed by the owner or contractor.

(Ord. No. 96-25, § 1-8, 12-2-1996)

Sec. 30-27. - Collection and disposal by commercial establishments, and private collectors.

- (a) The actual producers of refuse or the owners of the premises upon which refuse is accumulated who desire personally to collect and dispose of such refuse, persons who desire to dispose of waste material not included in the definition of refuse, or private collectors of refuse from within the city or outside of the city who desire to haul over the streets of the city shall use a watertight vehicle provided with a tight cover and so operated as to prevent offensive odors escaping therefrom and refuse from being dropped, blown, or spilled.
- (b) The city shall have the authority to make such other reasonable regulations concerning individual collection and disposal and relating to the hauling of refuse over city streets by outside collectors or individuals as it shall find necessary.

(Ord. No. 96-25, § 1-9, 12-2-1996)

Sec. 30-28. - Commercial establishments.

All commercial establishments shall store their refuse in containers or otherwise secure it so as to eliminate wind-driven debris and unsightly litter in and about their establishments. Approved methods of securing trash shall include containers, bins, fenced or walled trash storage areas, or dump sites operated by the county.

(Ord. No. 96-25, § 1-10, 12-2-1996)

Sec. 30-29. - Vacant lots.

It shall be unlawful for any person to throw any paper, trash, or debris, scrap building material, or foreign material of any kind upon any vacant or unoccupied lot within the city.

(Ord. No. 96-25, § 1-11, 12-2-1996)

Sec. 30-30. - Yard waste.

- (a) Yard waste shall be considered special collections as referenced in Sec. 30-25 of this ordinance and is defined as yard trash, debris, leaves, brush, tree limbs, cuttings and trimmings and similar materials.
- (b) Yard waste shall not be collected separately from household as part of the garbage collection program. Property owners or their representatives may request placement and pickup of yard waste at other times by contacting city hall and making special arrangements with the city clerk for a scheduled pickup of yard waste. Request for special pickup of yard waste shall be accompanied by a city work order and the property owner shall be charged a fee as established by the City of Sky Valley City Council. ~~Coordinator on the second and fourth Tuesdays of each month. It shall not be placed for pickup prior to 72 hours before the pickup date.~~ Yard waste shall be placed for pickup within five feet of the roadway.
- ~~(c) Yard waste from one residence or lot collected by the city without additional charge shall not exceed ten cubic yards, or approximately two standard pickup truck loads per month. Quantities of yard waste exceeding that amount will be picked up for a charge to be set by the city coordinator with approval of the mayor.~~
- (cd) Persons, firms or corporations performing tree removal or trimming services shall be responsible for the prompt removal of any yard waste they produce.

(Ord. No. 98-10, §§ 1—4, 10-5-1998)

Sec. 30-31. - Days of collection.

The normal scheduled collection day shall be once per week on Monday. In the event that an official city holiday ~~disrupts trash collection, shall fall on a Monday,~~ trash service will commence on ~~Tuesday~~ the next business day following the city holiday. ~~or w~~When inclement

weather or road conditions shall prohibit collection on Monday, collection service will occur on the ~~first~~ ~~next~~ day in which weather or road conditions permit.

(Ord. No. 96-25, exh. A, 12-2-1996; Ord. No. 97-7, § 2, 4-7-1997)

Sec. 30-32. - Charges generally.

- (a) Each residential account shall be charged a basic monthly collection charge as set by the City of Sky Valley City Council.
- (b) Garbage shall be in arrears under the same term as in effect for water bills and collection services shall be discontinued at the same time as water service is discontinued and shall not be resumed until the account is paid in full.

(Ord. No. 87-14, 9-8-1987)

Sec. 30-33. - Littering unlawful.

It shall be unlawful for any person to allow or throw any paper, trash, garbage, or debris upon any street, alley, park, or other public or private property in the city. It shall further be unlawful for any person to cast or throw, or cause to be cast or thrown, into any of the gutters, drains, or sewers within the city, any garbage, tree or grass cuttings, or other substance calculated to cause any obstruction or nuisance to the gutters, drains, or sewers.

Additionally, the City provides trash cans at strategic locations throughout the City such as the mailboxes, pickleball court, Overlook, and waterfall etc. These trash cans are provided as a courtesy for residents and guest to dispose of incidental trash ex. soda containers, junk mail, potato chip bags, etc. and NOT bulk or bagged household or commercial garbage. Anyone disposing of bulk or bagged garbage shall utilize the City compactor above the mailbox facility.

(Ord. No. 96-25, § 1-12, 12-2-1996)

Sec. 30-34. - Burying refuse; polluting waters.

It is declared to be unlawful for any person to deposit on or to bury in or cause to be deposited on or buried in any public square, street, alley, vacant or unoccupied lot, sidewalk, parkway, or bank of any lake, stream, or waterway, any trash, rubbish, fruit peelings, debris, refuse, garbage, brush, cans, boxes, oil, or vegetable or mineral matter, or to do any act that will pollute or tend to pollute the waters of any lake, stream, or waterway.

(Ord. No. 96-25, § 1-13, 12-2-1996)

Sec. 30-35. - Spilling material on streets.

It shall be unlawful for any person hauling any material whatsoever, whether refuse, trash, fill, rock, sand, concrete, or whatever, to spill such material from the hauling vehicle onto the streets of the city.

(Ord. No. 96-25, § 1-14, 12-2-1996)

Sec. 30-36. - Penalties.

- (a) Any person violating any provision of this article shall be guilty of a misdemeanor.
- (b) The city shall also require that any unauthorized accumulation, as defined by section 30-23(3), be removed within ~~30~~ 10 business days' written notice to the property owner by registered or certified mail, return receipt requested. If such notice cannot be delivered by the postal service, the city may, as an alternative, post a notice at the site of the unauthorized accumulation stating the terms of removal. If such accumulation is not removed within the notice period, then the city is authorized to remove or cause to be removed such accumulation, entering in and upon private property if necessary, and shall assess the property owner the cost of removing the accumulation. A second registered or certified mail notice shall be sent to the property owner, stating that the accumulation has been removed and that the cost shall be paid by the property owner to the city within 30 days of receipt. If that assessment is not paid, then it shall become a lien on such piece of property. Notice of such lien shall be filed and recorded in the real property lien records of the county, and when so filed and recorded, said lien shall encumber the described real property and may be foreclosed in the same manner as liens for taxes.
- (c) If approved above-ground receptacles placed for collection are not removed from the street area on the day of collection as required in section 30-24(c), the city is authorized to remove or cause to be removed said containers and replace them on the property of the owner, entering into and upon private property if necessary. A fee in the amount established by the City of Sky Valley City Council shall ~~in chapter 14 will~~ be levied for each occurrence of said failure and will be billed on the next scheduled billing.
- (d) If trash is placed for collection, either unlawfully or negligently, so as to allow it to be scattered by wind or animals, the city is authorized to remove or cause to be removed such scattered trash, entering into and upon private property if necessary. A fee in the amount established by the City of Sky Valley City Council ~~in chapter 14 will~~ be levied for each occurrence and will be billed on the next scheduled billing.

(Ord. No. 96-25, § 1-15, 12-2-1996)

Sec. 30-37. – Effective date.

This ordinance shall take effect on October 1, 2023.
Section 30-21 shall take effect on December 1, 2023

Sec. 30-37.- Conflicting Ordinances.

City ordinance 92-15, 94-4, & 92-25 and all other ordinances and parts of ordinances in conflict herewith are hereby repealed.

Sec. 30-38- Severability clause.

Should any word, phrase, sentence, paragraph, or section of this ordinance or the application thereof to any person, individual, business organization, partnership, circumstance be held invalid by a court of competent jurisdiction; such invalidity shall not affect the other provisions of this ordinance.

APPROVED:

HOLLIE STEIL, MAYOR

JIM CURTIS, COUNCILOR

BILL OLIVER, COUNCILOR

TONY ALLRED, COUNCILOR

TIM DARRAH, COUNCILOR

BRUCE TURNER, COUNCILOR

ATTEST:

APPROVED AS TO FORM:

KAREN FLEMING
CITY CLERK

DOUGLAS KIDD
CITY ATTORNEY

First reading and introduction August _____, 2023

Second reading and adoption September _____, 2023



MEMORANDUM:

TO: SKY VALLEY MAYOR & CITY COUNCIL
FROM: JASON STREETMAN
RE: PURCHASE OF POLICE VEHICLE
DATE: August 8, 2023

Dear Mayor and council:

As we continue to recover from a Post-COVID world, supply chains, although improving- are still tight. We see this everyday with our city purchases to include vehicle inventories; particularly vehicles designed for first responder use.

I reached out to Brannen Ford in Unadilla, Parks Ford in Hendersonville, and Wade Ford in Atlanta- all known for carrying fleet vehicles and Brannen Ford is the only dealer who had a unit in stock and provide a quote.

With Officer Edwards soon to return, we find ourselves down one (1) vehicle. My recommendation is we purchase this vehicle in preparation of his return and to allow advanced time for outfitting.

Thank you.

JAS



Jason Streetman <citymanager@skyvalleyga.com>

FW: Jarid Ison (formally Wade Ford) - New Role at Brannen Motors

Tue, Jul 11, 2023 at 3:41 PM

Jarid T. Ison <jarid@brannenmotors.com>
To: Jason Streetman <citymanager@skyvalleyga.com>

Jason,
We have white 3.3L V6 units on-ground, they are \$44,800.00.

Best,

Jarid T. Ison
Brannen Motor Company (Ford/Chevy/Dodge)
Unadilla, GA 31091
Cell 706-502-9354
jarid@brannenmotors.com
www.brannenmotors.com

-----Original Message-----

From: "Rachael Hammer" <rhammer@brannenmotors.com>
Sent: Tuesday, July 11, 2023 3:38pm
To: "Jarid T. Ison" <jarid@brannenmotors.com>
Subject: Fwd: Jarid Ison (formally Wade Ford) - New Role at Brannen Motors

Sent from my iPhone

Begin forwarded message:

[Quoted text hidden]



1080 2nd Street
 PO Box 746
 Unadilla, GA 31091
 P: (478) 627-3221 F: (478) 627-9550
www.brannenmotorcompany.com



SOLD TO: CITY OF SKYVALLEY, GA

INVOICE / QUOTE #

DATE: 08/08/2023

QTY.	DESC.	YEAR	MAKE/ MODEL	NEW OR USED	VIN	PRICE PER UNIT	SALES: GOV/FLEET
1	WHITE	2023	FORD INTERCEPTOR	NEW	1. 1FM5K8ABXPGA79656	\$44,900.00	KELLEY/REED

DEPARTMENT: CITY OF SKYVALLEY, GA

PHONE CONTACT- JASON STREETMAN 828-332-2636
 VEHICLE(S)-1- FORD INTERCEPTOR, WHITE IN COLOR W/ SPOTLIGHT,
 NEW NEVER TITLED, NO MILES LISTED.
EMAIL- jamey@brannenmotors.com, jake@brannenmotors.com

*18" H.D.STEEL WHEELS * 255/60R18 A/S BSW POLICE TIRES * CLASS III HITCH RECEIVER * DUAL EXHAUST SYSTEM * DUAL POWER MIRRORS * FULL SIZE 18" SPARE W/TPMS * HEADLAMPS - AUTO, LED LOW/HIGH INCLUDES FRONT HOUSING (W/ LED WIG-WAG) * KEY LOCKS (DR/PASS/LFTGT) * PRIVACY GLASS 2ND/3RD ROW *35/30/35 SPLIT VINYL REAR * A/C W/AUTOMATIC CLIMATE CONTROL, DUAL ZONE * BLACK VINYL FLOOR COVERING *CERTIFIED SPEEDOMETER * CLOTH BUCKET FRONT SEATS * CONSOLE MOUNTING PLATE * ENGINE HOUR / IDLE METER * HTD SANITIZATION SOLUTION * PWR DR SEAT/6-WAY/M LUMBAR * RED/WHITE TASK LIGHTING * SEATBACK INTRUSION PLATES *TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATCHING SWITCHES *AM/FM/MP3/BLUETOOTH & USB * COLUMN MOUNTED SHIFTER * ENGINE OIL COOLER * FORD TELEMATICS™ * FULL-TIME ALL WHEEL DRIVE SYSTEM * HEAVY DUTY SUSPENSION * HEAVY-DUTY 80-AMP BATTERY * INTERIOR TRUNK/LIFTGATE RELEASE * POLICE BRAKES: 4 WHL DISC W/ ABS & TRACTION CONTROL * POWER STEERING W/EPAS REAR VIEW CAMERA *TRANSMISSION OIL COOLER *TRANSMISSION-10-SPEED AUTO * 75 MPH REAR-CRASH TESTED * ADVANCETRAC™ WITH RSC * AIRBAGS - FRONT AND SIDE * AIRBAGS - SAFETY CANOPY * SOS POST CRASH ALERT SYS * TIRE PRESSURE MONITOR SYS

PRICE OF CAR
 FREIGHT AND
 HANDLING
 OPTIONAL EQUIP.
 ACCESS.

LICENSE AND TITLE

TOTAL

PLEASE FEEL FREE TO
 CALL OR EMAIL WITH
 ANY QUESTIONS OR
 CONCERNS-

**PRICE DOES
 NOT INCLUDE
 DELIVERY**

\$----

NO ADDED FEES
 GPC APPLIED
 PER UNIT
 \$---

NO TAX (GOV)

\$44,900.00

JAKE KELLEY
 GOV/ FLEET
 BRANNEN MOTORS
 229-322-9702
JAKE@BRANNENMOTORS.COM

CHI-004557

GA

9-NORMAL, NB, 004557, PA181

12487

120230125 4396

CERT. CERT. CERT. TRD. RAMP. BUMP. CANE. LOCK. EX. EL. ROTA

011598

231/609

1EM5K8AB6

PGA35167

NB



ford.com

VEHICLE DESCRIPTION

2023 UTILITY AND
4X4 WHEEL BASE
3.3 LITER V6 FV ENGINE
10-SPEED AUTO TRANSMISSION

POLICE INTERCEPTOR

EXTERIOR
OFF-ROAD WHITE
INTERIOR
EBONY CLOTH FRTR/VINYL REAR

Pg A35167

STANDARD EQUIPMENT INCLUDED AT NO EXTRA CHARGE

- EXTERIOR**
- 18" HD STEEL WHEELS
 - 195/65R18 A/S BSW
 - POLICE TIRES
 - CLASS III HITCH RECEIVER
 - DUAL EXHAUST SYSTEM
 - DUAL POWER MIRRORS
 - FULL SIZE 19" SPARE W/TMS
 - HEADLAMPS - AUTO, LED
 - LOW/HIGH INCLUDES FRONT HOUSING (W/LED WIG-WAAG)
 - KEY LOCKS (DR/PASS/LT/RT)
 - PRIVACY GLASS 2ND/3RD ROW

- INTERIOR**
- 35/30/35 SPLIT VINYL REAR
 - A/C W/AUTOMATIC CLIMATE CONTROL - DUAL ZONE
 - BLACK VINYL FLOOR COVERING
 - CERTIFIED SPEEDOMETER
 - CLOTH BUCKET FRONT SEATS
 - CONSOLE MOUNTING PLATE
 - ENGINE HOUR / MILE METER
 - HTD SANITIZATION SOLUTION
 - PWIR DR SEAT/6-WAY/M LUMBAR
 - RED/WHITE TASK LIGHTING
 - SEATBACK INTRUSION PLATES
 - TILT/TELESCOPING STEERING WHL W/ 4 CONFIGURABLE LATOHING SWITCHES

- FUNCTIONAL**
- UNIVERSAL TOP TRAY
 - TRANSMISSION OIL COOLER
 - TRANSMISSION-10-SPEED AUTO
 - SAFETY/SECURITY
 - 75 MPH REAR-CRASH TESTED
 - ADVANCETRAC™ WITH RSC@
 - AIRBAGS - FRONT AND SIDE
 - AIRBAGS - SAFETY CANOPY
 - SOS POST CRASH ALERT SYS
 - THE PRESSURE MONITOR SYS

- WARRANTY**
- 3 YR/36K MILE BUMPER-TO-BUMPER WARRANTY
 - 5 YR/100K MILE POWERTRAIN CARE EXTENDED SERVICE PLAN (ZERO DEDUCTIBLE)

INCLUDED ON THIS VEHICLE

(MSRP)

PRICE INFORMATION

(MSRP)

EQUIPMENT GROUP 600A			
OPTIONAL EQUIPMENT/OTHER			
AM/FM STEREO	- 2,890.00		
10-SPEED AUTO TRANSMISSION	NO CHARGE		
AUX CLIMATE CONTROL	610.00		
50 STATE EMISSIONS	NO CHARGE		
DRIVER SIDE LED SPOT LAMP	395.00		
KEYLESS ENTRY - 4 FOB'S	340.00		
4G LTE W-I-FI HOTSPOT CREDIT	- 20.00		
FLEX-FUEL CAPABILITY			
FRONT LICENSE PLATE BRACKET	NO CHARGE		
BASE PRICE	\$47,185.00		
TOTAL VEHICLE & OPTIONS/OTHER DESTINATION & DELIVERY	1,495.00		
TOTAL PRICE	\$48,680.00		

RAMP ONE			
CH02			
RAMP TWO			
CONVOY			
ITEM #			
21-2181 O/T 5B			
TOTAL MSRP	\$47,155.00		

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EPA Fuel Economy and Environment DOT

Fuel Economy
19 MPG
combined city/hwy
city 17 highway 23
gallons per 100 miles 5.3

You spend
\$3,750
more in fuel costs over 5 years compared to the average new vehicle.

Standard SUVs range from 14 to 102 MPG. The best vehicle rates 132 MPGe. Values are based on gasoline and do not reflect performance and ratings based on E85.

Fuel Economy & Greenhouse Gas Rating
1 4 10 10
The vehicle emits 463 grams CO₂ per mile. The best emit 10 grams per mile (tailpipe only). Producing and distributing fuel also create emissions. Learn more at fuelconomy.gov

fuelconomygov
Calculate personalized estimates and compare vehicles
GOVERNMENT 5-STAR SAFETY RATINGS
Overall Vehicle Score Not Rated
Based on the combined ratings of frontal, side and rollover. Should ONLY be compared to other vehicles of similar size and weight.

Frontal Driver Not Rated
Crash Passenger Not Rated
Should ONLY be compared to other vehicles of similar size and weight.

Side Front seat ★ ★ ★ ★ ★
Crash Rear seat ★ ★ ★ ★ ★
Based on the risk of injury in a side impact.

Rollover ★ ★ ★ ★ ★
Based on the risk of rollover in a single-vehicle crash.
Star ratings range from 1 to 5 stars (★ ★ ★ ★ ★), with 5 being the highest.
Source: National Highway Traffic Safety Administration (NHTSA).
www.safercar.gov or 1-888-327-4236

WARNING: Operating, servicing and maintaining a passenger vehicle, pickup truck, van, or off-road vehicle can expose you to chemicals including engine exhaust, carbon monoxide, phthalates, and lead, which are known to the State of California to cause cancer and birth defects or other reproductive harm. To minimize exposure, avoid breathing exhaust; do not idle the engine except as necessary; service your vehicle in a well-ventilated area and wear gloves or wash your hands frequently when servicing your vehicle. For more information go to www.P65Warnings.ca.gov/passenger-vehicle.

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07/11/2023

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