



CITY OF COVINGTON, GEORGIA
Citizen's Financial Report
FOR THE FISCAL YEAR ENDED JUNE 30, 2023



TO THE CITIZENS OF COVINGTON

We are pleased to present to you the City of Covington's Popular Annual Financial Report (PAFR) for the fiscal year ending June 2023. The PAFR examines and publishes the City's financial activities in a citizen friendly way. We publish this document as a method of transparency and accountability to the city we serve. Located within this document is information regarding who makes decisions for the city, the financial practices we follow, our accomplishments during the fiscal year, and some exciting activities happening in Covington. We promote the City of Covington's governmental funds to illustrate our ability and commitment to the delivery of superior services while striving toward excellence in efficiency and value to the citizens of our community. Covington is truly special.

The financial information located in this report comes from the City of Covington's 2023 Annual Comprehensive Financial Report (ACFR). This report, audited by Mauldin & Jenkins, CPAs, is a complete account of the city's finances prepared in accordance with Generally Accepted Accounting Principles (GAAP). The GAAP are a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. The financial information included in this document has the same measurement focus and basis of accounting as the ACFR, but is presented in a more concise and user-friendly format. This document serves as a summary of the City of Covington's governmental fund financial information. If interested in learning more, the 2023 ACFR is available on the city's website, or a copy can be requested at City Hall.

We want to thank you for your continued support of our work here at the City of Covington. We cherish the ability to serve you, and we are always available to hear your ideas on how we can better our community. Together, we can continue to make Covington an incredible place to live, work and play.

Sincerely,

Tres Thomas, City Manager



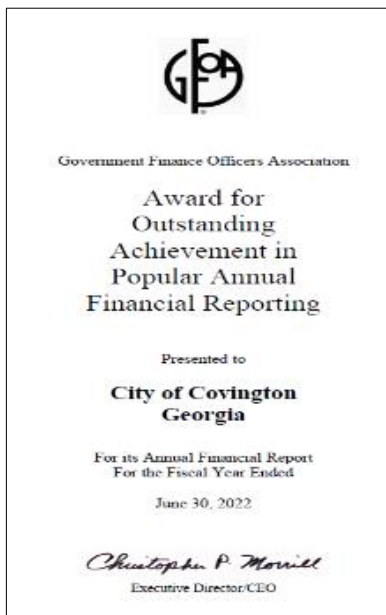
Randy Smith, Finance Director



Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Covington for its Popular Annual Financial Report for the fiscal year ended June 30, 2022. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Covington has received a Popular Award for the last six years (fiscal years ended 2017-2022). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.



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About the City of Covington

Referred to as the **"The Hollywood of South,"** Covington has been the backdrop for more than 200 films and television shows like *The Vampire Diaries*, *In the Heat of the Night*, *The Dukes of Hazzard*, *Sweet Magnolias* and many more. Readers of the Atlanta Journal-Constitution voted Covington as 'Best Town Square' in 2018, making it a favorite for locals and film productions.

The City of Covington provides a full range of services to over 14,000 citizens including police and fire protection, emergency medical services, air transport facilities, public works, court system services, library services, planning and zoning, building inspections, recreational activities and cultural events, stormwater management, construction and maintenance of recreational pathways, streets, and infrastructures.

Throughout the year, Covington has hosted numerous community events such as the Covington Farmers Market, Live at Legion Field Concerts, Covington Fuzz Run, and the spectacular, unmatched Independence in the Park Fireworks Show!

See Pages 5 and 6 for more of what goes on in Covington!



ELECTED OFFICIALS



Mayor Steve Horton



Fleeta Bagget



Anthony Henderson



Susie Keck



Kenneth Morgan

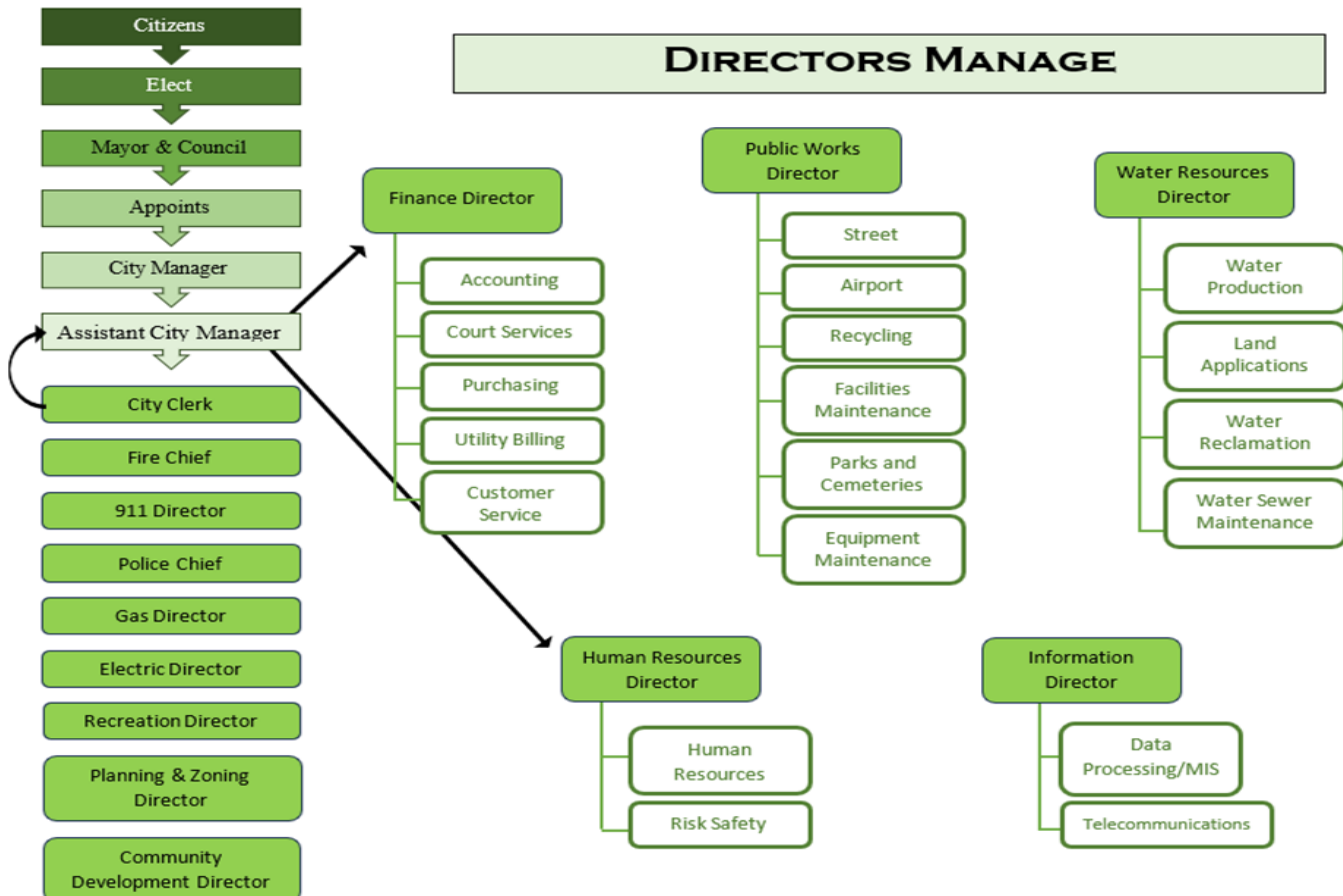


Charika Davis



Don Floyd

City Structure



City of Covington at a Glance

Population (2022 Estimate) 14,381

Square Miles 15.94

Median Household Income \$43,881

Median Age 36.5

School Enrollment 18,640

Unemployment Rate 4.5%

Number of Veterans 873



Services Provided



Police Calls for Service

29,104



Fire Calls Answered

3,131



Court Cases Closed

5,912



Electric Customers

14,005



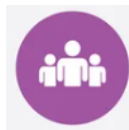
Electricity sold in KWH

412,348



Gas Customers

9,179



Visitors at Welcome Center

14,005



Business Licenses Issued

2,545



Purchase Orders

3,377

Top 10 Employers in City of Covington



- 1) Newton County Board of Education (County-wide): 2,499 employees
- 2) CR Bard: 741 employees
- 3) Piedmont Healthcare: 689 employees
- 4) Newton County Board of Commissioners: 621 employees
- 5) General Mills: 462 employees
- 6) Pactiv: 400 employees
- 7) Wal-Mart #459: 392 employees
- 8) Fibervisions: 339 employees
- 9) City of Covington: 337 employees
- 10) Global Distribution Center: 297 employees



YEAR IN REVIEW

Alcovy CASA along with the Covington Police Department took 33 kids shopping at Kohls for new clothes for their Shop with A Cop Back-to-School Event.



Covington Fire Department (CFD) and

Covington Police Department (CPD) participated in the Bicentennial Battle on Baker Field. The Covington Fire Department took home the “Battle of the Badges” trophy!



The City of Covington partnered with Covington YMCA to host Newton County Schools Special Education Department classes to Trick or Treating at Legion Field.



City of Covington Electric Department members assisted in efforts to restore power in Conway, South Carolina for those affected by Hurricane Ian.



Live at Legion Concerts and Final Friday Flicks on the Square were a community favorite!





The City of Covington buried a time capsule that included memorabilia to commemorate the City's history and present times. The time capsule is slated to be uncovered/opened on December 9th, 2072.

In honor of Memorial Day, City of Covington employees placed American flags in the city cemeteries in honor of veterans who are laid to rest there.

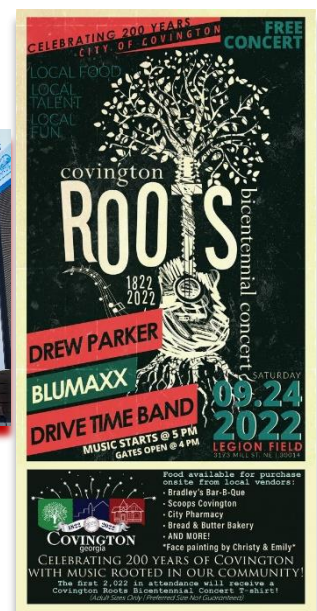


Community cleanup at Central Park and Square Park as well as Stone Mountain, West and Washington Streets with community and City employees

Juneteenth Parade



Roots Bicentennial Concert at Legion Field



FINANCIAL INFORMATION

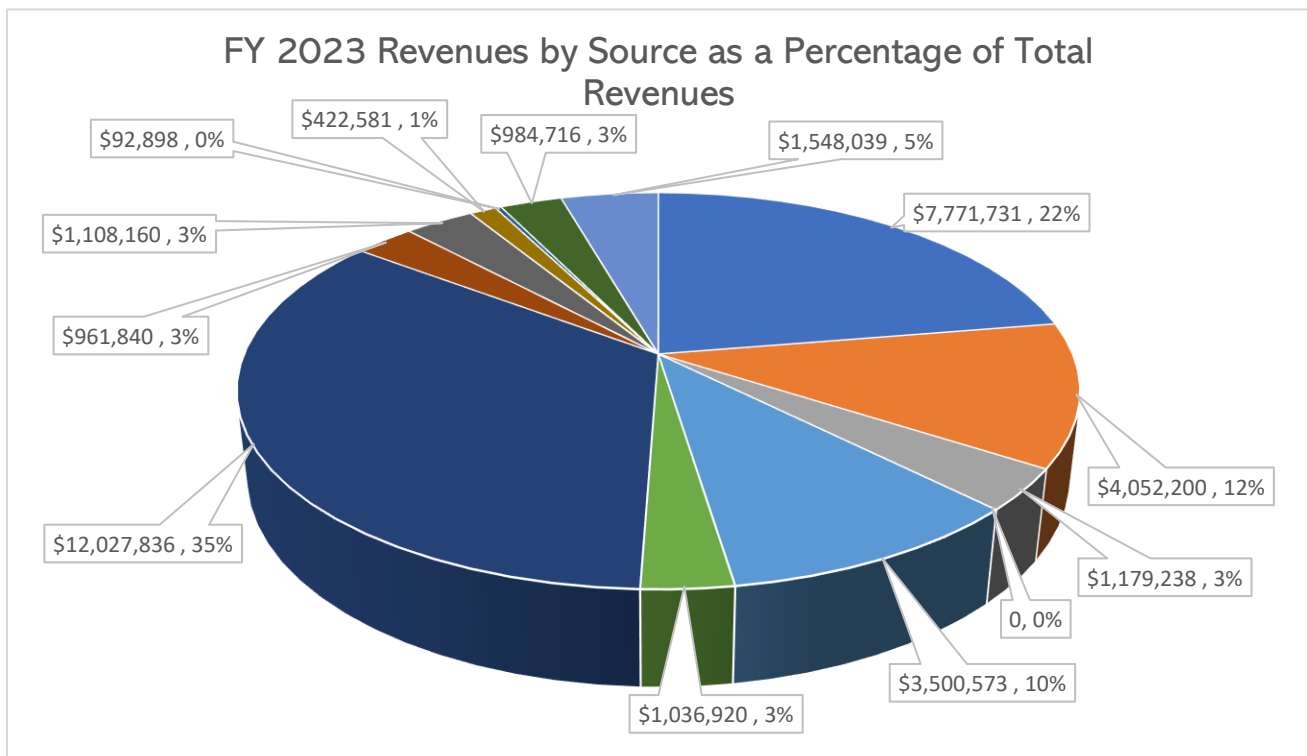
SOURCE	FY2021	FY2022	FY2023
PROPERTY TAXES	\$7,058,930	\$7,548,641	\$7,771,731
SALES TAX	\$3,346,923	\$3,646,838	\$4,052,200
INSURANCE PREMIUM TAXES	\$1,054,249	\$1,088,683	\$1,179,238
OTHER TAXES	\$2,198,739	\$2,842,194	\$3,038,978
CHARGES FOR SERVICES	\$3,117,505	\$3,438,707	\$3,500,573
LICENSES & PERMITS	\$715,158	\$755,984	\$1,036,920
INTERGOVERNMENTAL	\$4,679,674	\$4,137,553	\$12,027,836
FRANCHISE FEES	\$776,573	\$808,763	\$961,840
FINES & FORFEITURES	\$419,991	\$805,441	\$1,108,160
INTEREST REVENUES	\$48,188	\$50,859	\$422,581
LEASE INCOME	-	\$93,989	\$92,898
OTHER REVENUES	\$819,775	\$773,450	\$984,716
TRANSFERS & OTHER SOURCES	\$10,176,046	\$9,934,747	\$1,548,039
TOTAL REVENUES	\$34,411,751	\$35,925,849	\$36,177,671

When assessing the financial results of the government, it is important to focus on the governmental activities, which support the regular day-to-day operations of the city including public safety, public works, culture and recreation and community development. Taxes are the most significant revenue source for the governmental funds, comprising of 44% of revenue collections.

The significant increase in intergovernmental

revenue results from ARPA monies being used to support revenue loss in the general fund. Furthermore, fines and forfeitures have increased as the courts resumed normal operations following COVID-19. The lease income above relates to the implementation of GASB 87.

The breakdown of the revenue sources is shown below. The city's revenues have steadily increased over time primarily from increases in property value as well as sales taxes.



WHERE YOUR MONEY GOES

Once the city collects taxes and other revenues, the funds must be spent efficiently to provide essential services to citizens and businesses. During the fiscal year end June 30, 2023, the Governmental Funds expensed its monies as shown to the right.

General Government: legislative, executive, administration, etc.

Public Safety: protection of citizens and property

Debt Service: scheduled principal and interest on leases payable

Public Works: infrastructure maintenance

Judicial: court functions

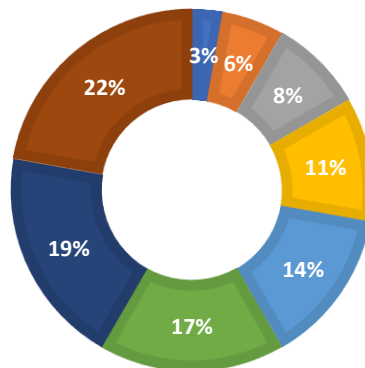
Parks and Recreation: enrich and entertain

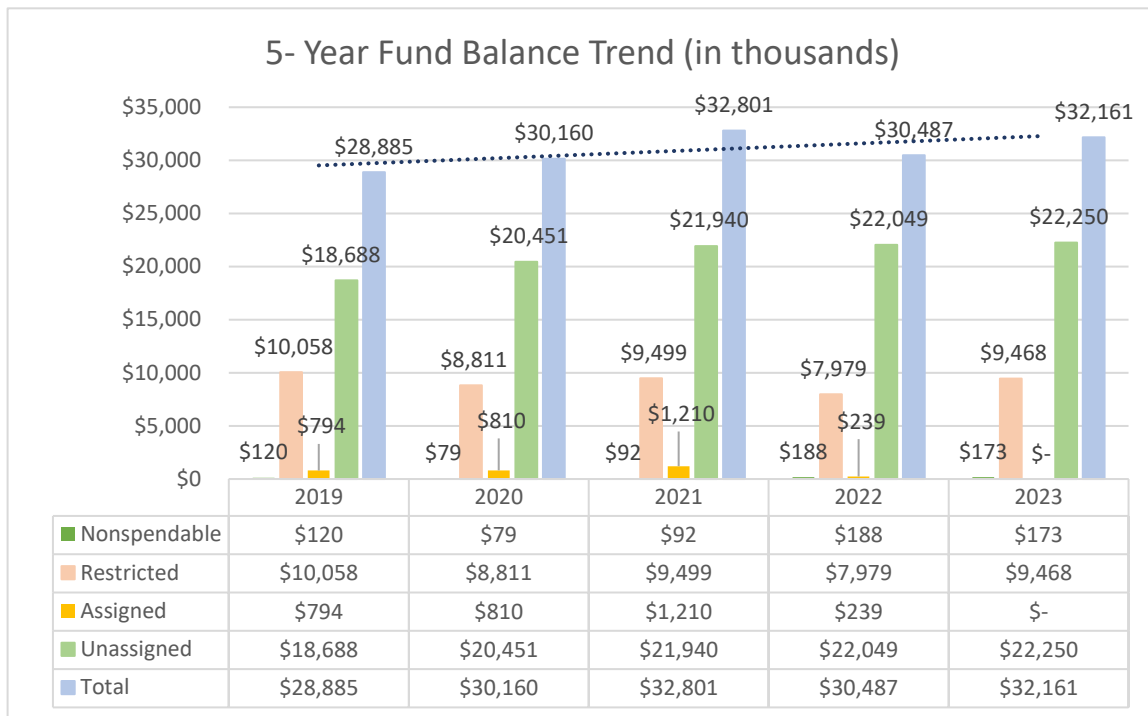
Housing and Development: promoting community development

Function	FY 2021	FY 2022	FY 2023
General Government	\$4,420,105	\$5,220,764	\$4,713,700
Judicial	\$514,312	\$673,978	\$852,433
Public Safety	\$16,709,825	\$18,669,417	\$19,761,157
Public Works	\$3,246,344	\$3,335,359	\$3,223,857
Parks & Recreation	\$469,091	\$520,887	\$559,364
Housing & Development	\$1,784,764	\$1,957,609	\$2,142,707
Capital Outlay	\$4,598,109	\$7,386,386	\$4,068,855
Debt Service	\$65,647	\$437,656	\$730,190
Total Expenditures	\$31,808,197	\$38,202,056	\$36,052,263

FY 2023 EXPENDITURES BY FUNCTION AS A PERCENTAGE OF TOTAL EXPENDITURES

■ General Government
 ■ Judicial
 ■ Public Safety
 ■ Public Works
 ■ Parks & Recreations
 ■ Housing & Development
 ■ Capital Outlay
 ■ Debt Service





The City of Covington's total Governmental Funds' Fund Balance is broken down into four categories:

Non-spendable funds: items such as inventories, prepaid expenditures and advances to other funds or entities.

Committed funds: these can only be used for specific purposes approved by a resolution of the Council.

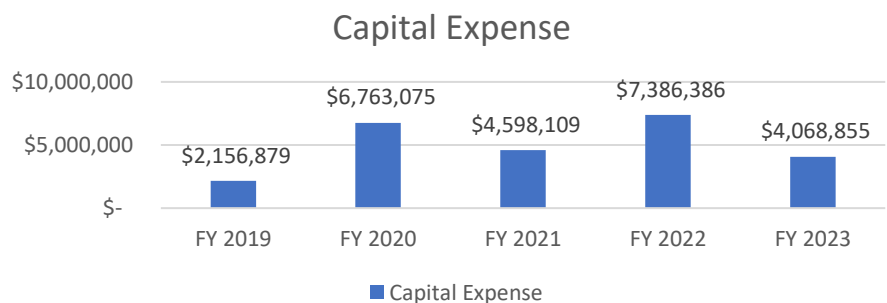
Assigned funds: this represents amounts constrained by the City's intent to be used for specific purposes. The City Council (or their designee) may assign fund balances.

Unassigned funds: these balances represent the residual amount when the balances do not meet any of the above criterion.

CAPITAL EXPENDITURES

The City of Covington has shown a commitment to fund capital expenditures over time. The current year capital expense in the governmental funds includes safety improvements to sidewalk crossings, paving and

patching of roads, a new roof at the city's auto shop, general government computer upgrades, and engineering for future projects. Capital expenditures are typically funded from a specific revenue source such as special purpose local option sales tax (SPLOST), grants or other one-time revenues.



TV Shows & Movies Word Scramble

Filmed in Covington

TESEW OAAGILMNS

HTE IVPEMRA EAIIDSR

HTE SKEUD OF ZZAADHR

GCIELSAE

FHGITL

EESWT HOME ABLAMAA

ASEML

NI EHT HATE FO ETH GNTIH

WORDSCAMBLE ANSWER KEY ON BACK PAGE





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Word Scramble Answer Key

Sweet Magnolias

The Vampire Diaries

The Dukes of Hazzard

Legacies

Flight

Sweet Home Alabama

Selma

In The Heat of the Night

Remember the Titans

