

COVINGTON
georgia

CITIZENS FINANCIAL REPORT

for the Fiscal Year Ended June 30, 2021

CITY OF COVINGTON

GEORGIA



Letter from City Manager

We are pleased to present to you the City of Covington's Popular Annual Financial Report (PAFR) for the fiscal year ending June 2021. 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 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 2021 Annual Comprehensive Financial Report (ACFR). This report, audited by Mauldin & Jenkins, CPAs, is a complete account of the municipality'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 presented in a more concise and user-friendly format. This document serves as a summary of the City of Covington's financial information. If interested in learning more, the 2021 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. 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,

Scott Andrews, Ed.D., ICMA-CM, City Manager

Randy Smith, CPA, Finance Director



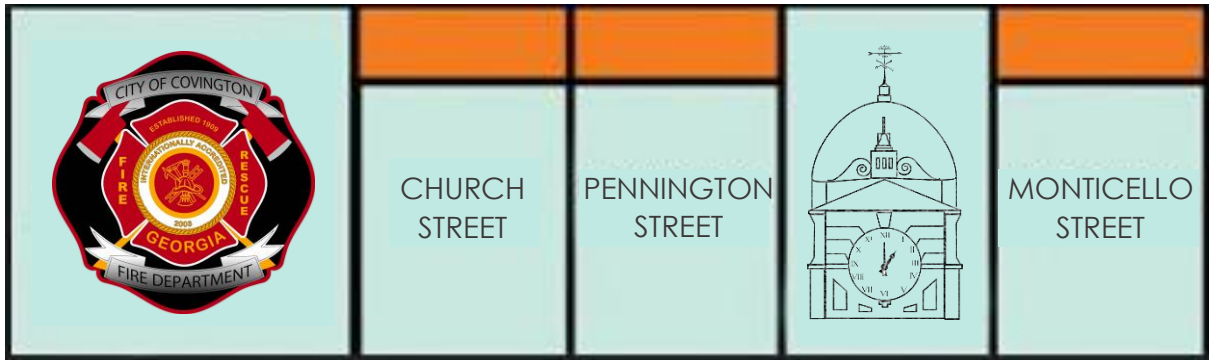


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Community Chest

**RECEIVE
FOR SERVICES
\$25**



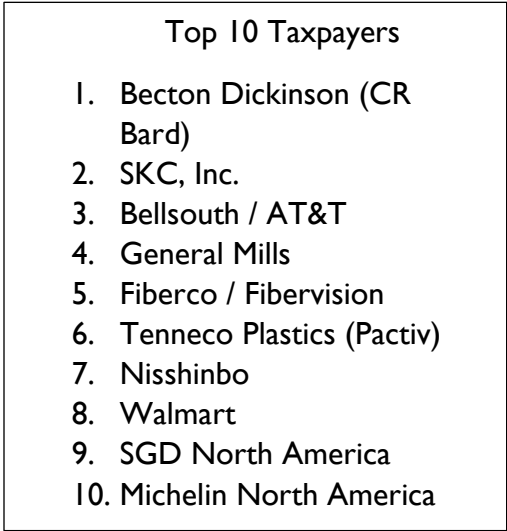
Did you know that the City of Covington's Purchasing Department processes over 3,000 purchase orders per year? In addition to purchase orders, the two gentlemen below maintain the warehouse and complete inventory.



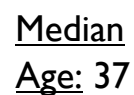
CONTACT US

CITY HALL	2194 EMORY STREET NW	770 – 385 – 2000
POLICE DEPARTMENT	13183 HARLAND DRIVE NE	770 – 385 - 2122
FIRE DEPARTMENT	2101 PACE STREET	770 – 385 – 2100
E911	11234 ALCOVY ROAD	678 – 342 - 8790
AIRPORT	14100 GA – 142	770 – 787 – 0098
WELCOME CENTER	1143 OAK STREET SE	678 – 212 - 5456

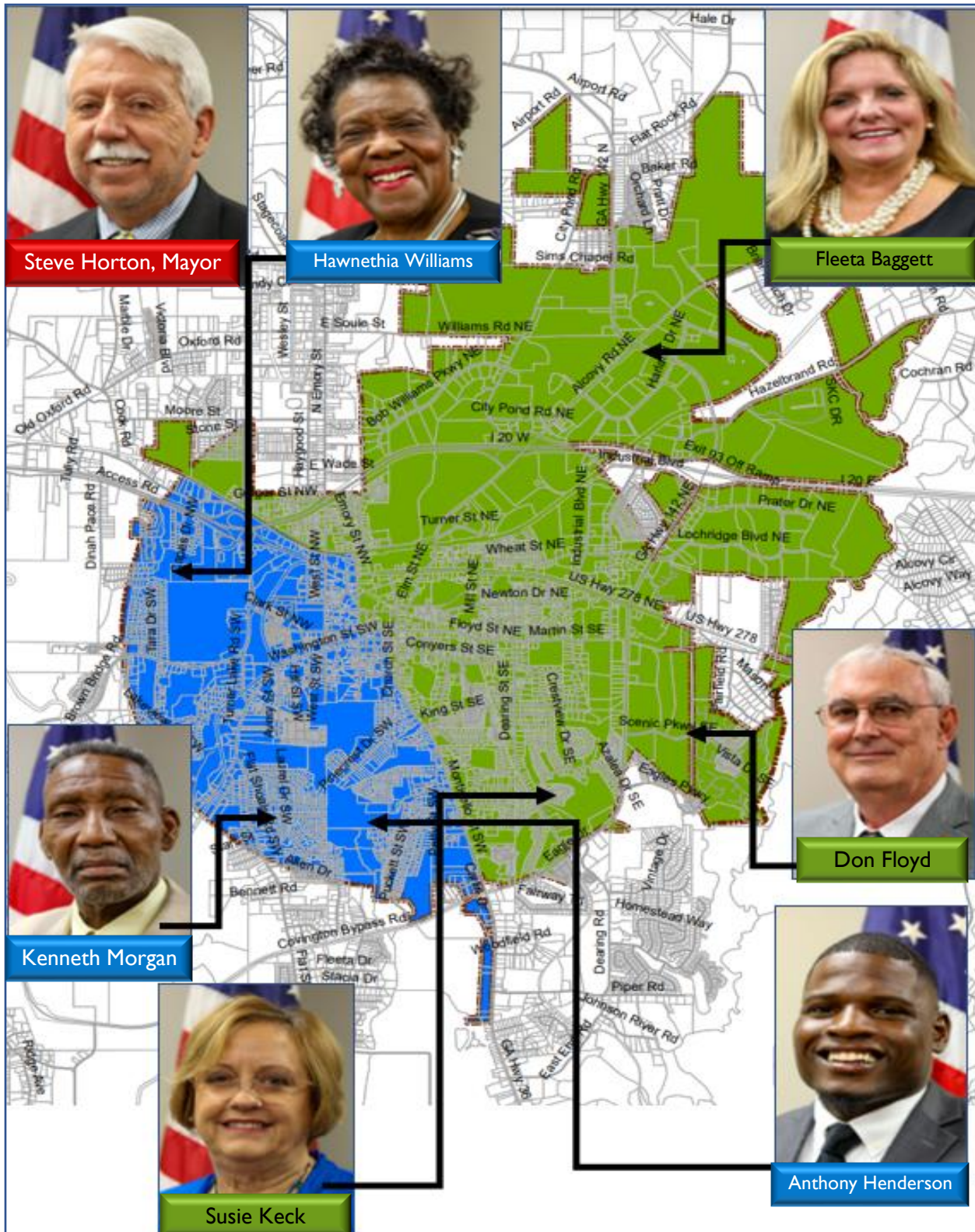
City Structure



There were approximately 47,897 visitors at the new Visitors Center.



Elected Officials



Year in Review

Milled and Resurfaced 3.12 miles of roadway	Installed a 2nd drive-thru lane at City Hall	Converted old police station into Welcome Center/ Community Development



Installed 36 new trash cans and benches at Central park	Replaced exhaust system at Station 21 for the firefighters	American Public Gas Association Safety Award given for 2020



A walkway and stairs were installed at Central Park.



Attendees proudly display the flag Covington received for being recognized as a Tree City USA by the Arbor Day Foundation



Sgt. Vic Partee (retired) (right) received a departmental commendation for his Community Outreach project "Operation Candy Cane" from Chief Cotton (left).



The Milestones Celebration was a gathering of old friends, familiar faces and current employees to honor the unveiling of the City Hall "Milestones". These stones honor those employees who have retired after working for the City for 25-years or more. We were honored to have Mayor Steve Horton speak along with other City of Covington icons such as former Council Member Janet Goodman and former City Manager Frank Turner, Sr.

Electric department secured 3 customer choice loads in Covington Town Center	Awarded stabilization grants to 200 local businesses	CPD added a Family Interview Room



Facilitated the process of hiring Assistant City Manager, John King.	Rehabilitated over 50 storm water inlets	8 employees received Georgia Crisis Intervention Team Training for 911

Year in Review

Began Blue Card Incident Command Training for implementation for Fire	1 st Legion Field ice skating rink & installed a new electric transformer	Upgraded our legion field bridge to be a Locks of Love bridge



Implemented 24/7 Cyber-Security monitoring of all city systems	Completed sidewalk projects for Turner Lake Rd., Browns Bridge Rd., & Flat Shoals Rd.	Completed 5 year strategic plan facilitated by CPSE



Human Resources hosted the annual Employee Appreciation lunch at Legion Field on Thursday, June 3.



LEFT: Mike Jewell, Kevin Sorrow, Mrs. Floyd, and Council Member Floyd put out flags for Veteran's Day.



All CPD Officers were deployed to work the city's Fireworks on the Fourth celebration.



LEFT: Jeremy Kitchens and Cardale Williams working in Welsh, Louisiana to restore power after Hurricane Laura.



ABOVE: Cardale Williams, Mike Jones and Ritchie Cook headed to Louisiana on September 2nd to relieve some of the original Electric Department crew members.



LEFT: Downtown Coordinator Nic Matthews, Community Development Director Trey Sanders and Tourism Coordinator DJ Waller

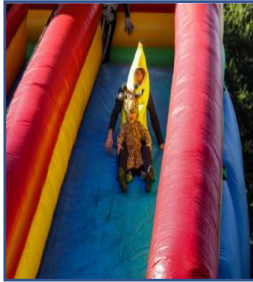
RIGHT: 911 Operations Manager Anessa Westmoreland and 911 Director Trudy Henry with Santa at the Lighting of the Square

Paved the west leg of the Cricket Frog Trail	A Sanitary Sewer System Inflow & Infiltration Study was completed	Continuation of AMI metering and expansion of service area



Enhanced the City's social media presence & surpassed 1,000 followers on Instagram	Expanded the number of employees able to work remotely – approximately 25%	Created a quiet room for dispatchers at the 911 Center for employees to destress

Kid's Corner



Can you find all the Monopoly Tokens throughout the PAFR Report?



The City of Covington together with the YMCA hosted the first annual Trick or Treat on the Cricket Frog Trail in October.

Covington Word Search

F	G	N	Y	C	T	G	O	A	S	E	M	F	U
N	R	T	C	I	G	C	R	C	E	S	A	T	E
L	C	R	D	E	R	I	F	A	E	N	Y	E	E
C	G	L	N	T	E	R	F	D	E	E	O	E	M
O	O	T	U	L	C	N	L	E	A	P	R	R	O
U	C	C	F	O	O	L	O	M	C	X	P	T	R
N	I	I	L	I	V	C	Y	Y	F	E	O	S	Y
C	T	T	A	L	I	L	D	S	U	L	L	S	S
I	Y	I	R	S	N	N	S	P	N	A	I	R	T
L	H	Z	E	I	G	O	T	R	C	T	C	E	R
R	A	E	N	C	T	F	R	I	N	I	E	Y	E
F	L	N	E	M	O	T	E	N	N	P	R	N	E
A	L	O	G	F	N	E	E	G	Y	A	E	O	T
P	O	L	E	O	I	O	T	S	M	C	L	C	T

GENERAL FUND
CONYERS STREET
ACADEMY SPRINGS
CAPITAL EXPENSE
COUNCIL
PAFR
FLOYD STREET
FIRE
MAYOR
POLICE
CITY HALL
EMORY STREET
COVINGTON
CITIZEN

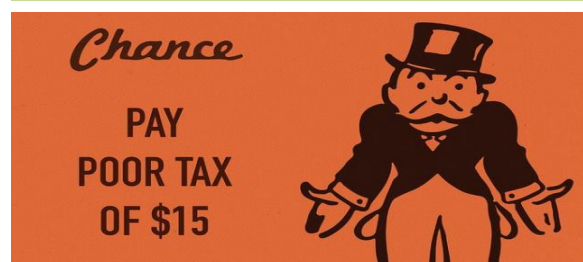
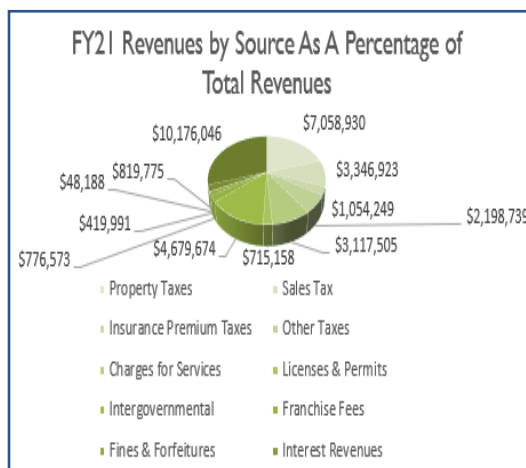
Financial Information

Governmental Fund Revenues

Below is a visual of the city's governmental revenues for the past three fiscal years. The visual below details the source of the revenue.

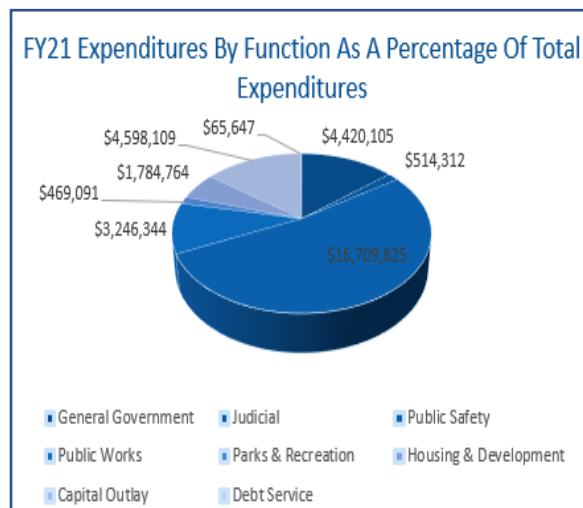


Source	FY 2019	FY2020	FY2021
Property Taxes	\$ 5,631,521	\$ 6,386,255	\$ 7,058,930
Sales Tax	\$ 2,476,835	\$ 2,644,300	\$ 3,346,923
Insurance Premium Taxes	\$ 956,184	\$ 1,007,024	\$ 1,054,249
Other Taxes	\$ 2,025,034	\$ 1,991,940	\$ 2,198,739
Charges for Services	\$ 2,945,014	\$ 3,089,850	\$ 3,117,505
Licenses & Permits	\$ 402,083	\$ 446,277	\$ 715,158
Intergovernmental	\$ 3,005,423	\$ 4,108,094	\$ 4,679,674
Franchise Fees	\$ 819,856	\$ 891,942	\$ 776,573
Fines & Forfeitures	\$ 650,854	\$ 658,324	\$ 419,991
Interest Revenues	\$ 127,789	\$ 157,347	\$ 48,188
Other Revenues	\$ 1,352,109	\$ 1,160,224	\$ 819,775
Transfers and Other Sources	\$ 9,042,708	\$ 11,340,028	\$ 10,176,046
Total Revenues	\$ 29,435,410	\$ 33,881,605	\$ 34,411,751



Governmental Fund Expenditures

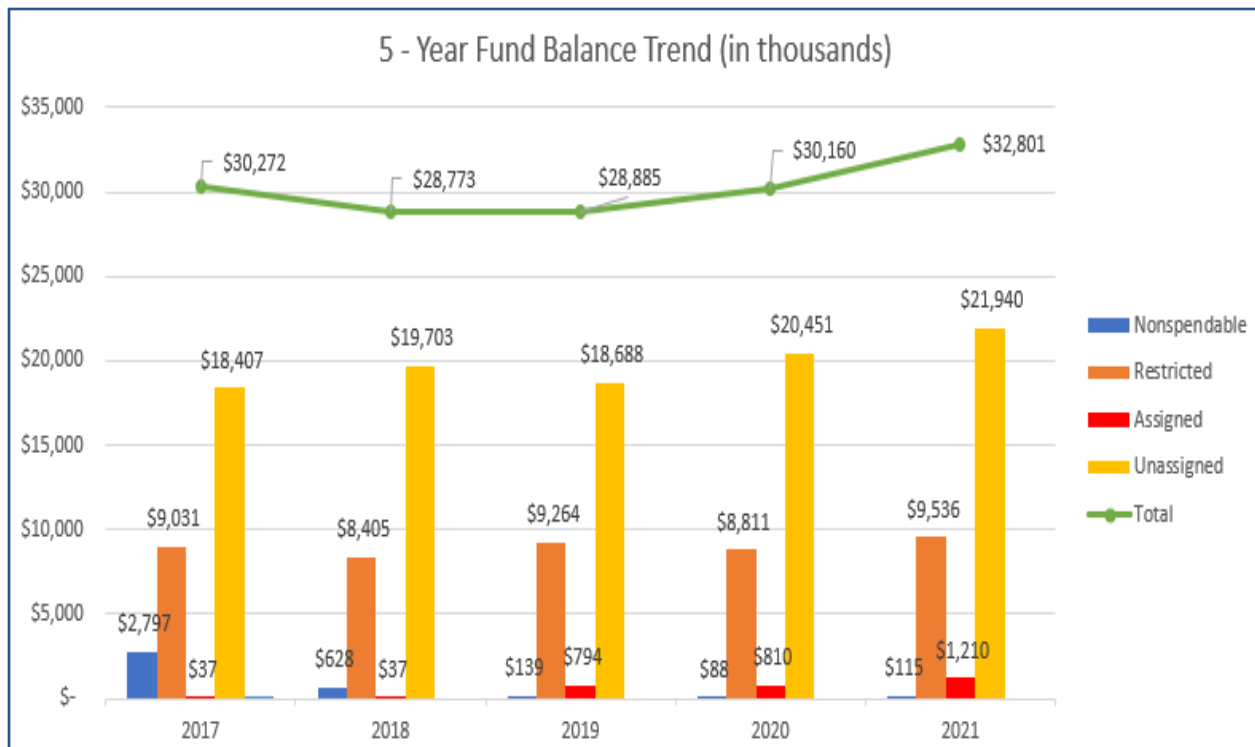
Provided below is a comprehensive look at the City of Covington's expenditures for the last three fiscal years.



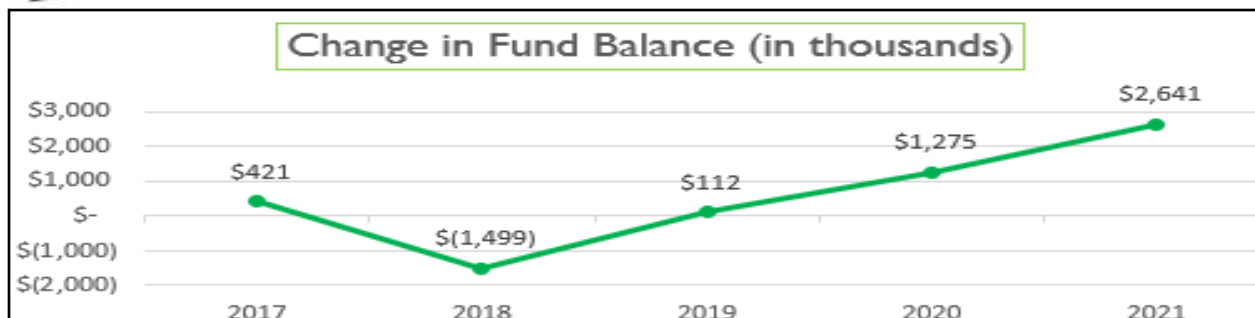
Function	FY2019	FY2020	FY 2021
General Government	\$ 4,088,076	\$ 3,946,275	\$ 4,420,105
Judicial	\$ 661,826	\$ 621,281	\$ 514,312
Public Safety	\$ 17,963,750	\$ 16,608,340	\$ 16,709,825
Public Works	\$ 2,780,273	\$ 2,814,509	\$ 3,246,344
Parks & Recreation	\$ 369,572	\$ 370,487	\$ 469,091
Housing & Development	\$ 1,634,303	\$ 1,904,809	\$ 1,784,764
Capital Outlay	\$ 1,605,586	\$ 6,120,877	\$ 4,598,109
Debt Service	\$ 220,192	\$ 220,191	\$ 65,647
Total Expenditures	\$ 29,323,578	\$ 32,606,769	\$ 31,808,197



The most significant source of revenue for the City of Covington is transfers from the utility fund which makes up 30% of the governmental fund revenue.



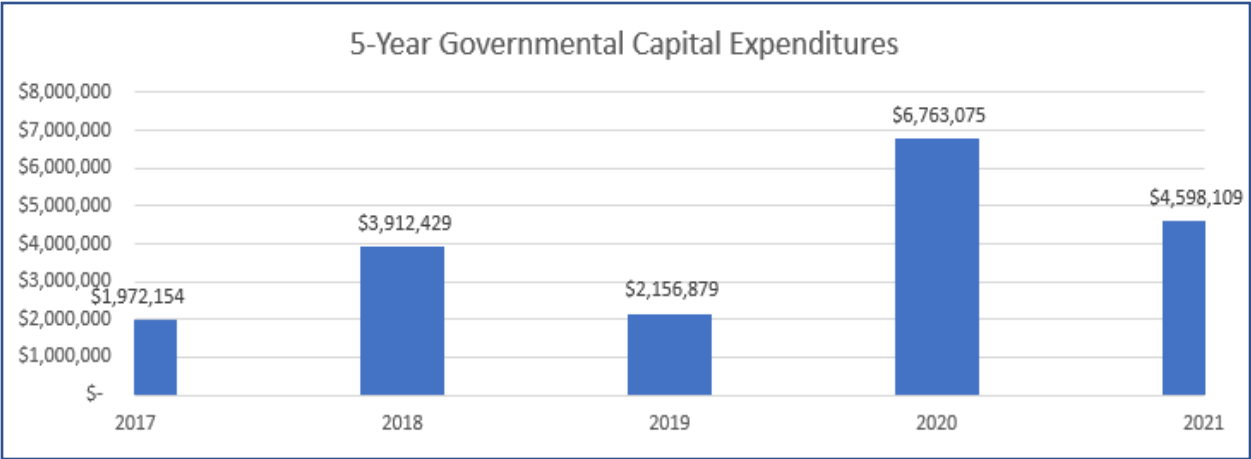
The graph above displays the total fund balance for the last five fiscal years. Fund Balances represent the difference between the municipality's assets and liabilities. The decrease in 2018 was used to fund capital projects. The graph below represents how the city has started to recuperate the use of the funds.



For more information about the finances of the City of Covington, check out the city's Annual Comprehensive Financial Report. Visit www.cityofcovington.org to learn more!



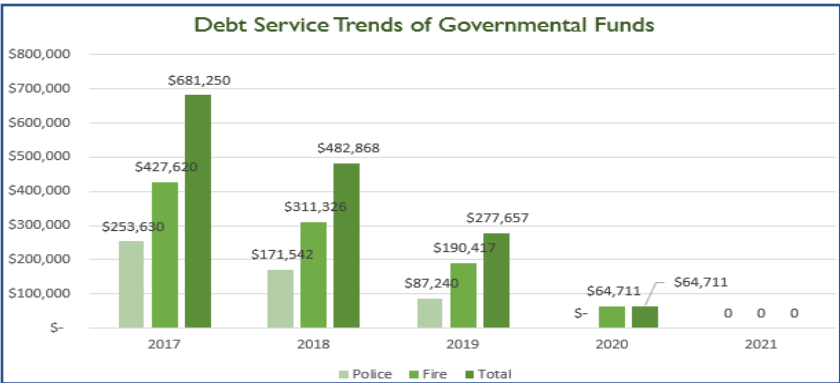
Capital Expense and Debt Service



The chart above shows the 5 – fiscal year trend of capital expenditures in the governmental funds. Capital Expenditures are funded by revenue sources such as special purpose local option sales tax (SPLOST). Generally, capital projects are approved once a specific revenue source has been identified for funding.



Debt Services can be a vital tool for the city when it comes to financing large expenditures. This allows for the cash flow to be spread over many years. This allows for the expense to be stretched out, this covers many generations of citizens that will use the asset. As shown in the chart below all debt services were paid off in 2021.





Definitions

Fund Balance: Fund Balance reflects the excess (or deficiency) of revenues and other financing sources over expenditures and other financing uses.

Governmental Fund: Governmental Funds are used to account for activities primarily supported by taxes, grants, and similar revenue sources. There are five types of governmental funds: General fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. The city only has one General Fund, however there can be multiple of the other governmental funds.

City of Covington

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www.cityofcovington.org

www.facebook.com/cityofcovingtonga



While the City of Covington tries to present as much valuable information as possible in this report, some funds are excluded. Please see the Annual Comprehensive Report for a full detail of all available funds. A copy of the ACFR can be found on the city's website or requested at City Hall.

