

Clayton County Water Authority

Annual
Comprehensive
Financial
Report

2023

Clayton County, Georgia



For Fiscal Year Ended
April 30, 2023



Clayton County Water Authority

Clayton County, Georgia

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Fiscal Year Ended April 30, 2023

Prepared By:

Finance Department

Clayton County Water Authority

MISSION STATEMENT



“Providing quality water and quality services to our community”

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[LEADERSHIP TEAM](#)

[FINANCE DEPARTMENT STAFF](#)





TRANSMITTAL LETTER



"Providing Quality Water and Quality Services to Our Community"

www.ccwa.us | 770.961.2130 | 1600 Battle Creek Road, Morrow, GA 30260

November 14, 2023

Dr. Cephus Jackson, Chairman,
Members of the Board of Directors,
Customers of the Clayton County Water Authority,
And the Citizens of Clayton County, Georgia

Ladies and Gentlemen:

House Bill 390 served as the enabling legislation for the creation of the Clayton County Water Authority (the Authority or CCWA), upon its approval, by the Georgia Legislature on March 7, 1955. That original piece of legislation was amended by House Bill 535, on March 1, 1971, to require that the Authority issue annually a report on its financial position and activity. The amending statute also contained a requirement that the financial report that was being issued should be audited by an independent auditing firm that was to be selected by the Clayton County Board of Commissioners. Pursuant to those statutory requirements, we are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Clayton County Water Authority for its fiscal year ended April 30, 2023.

This report consists of management's representations concerning the operations and financial condition of the Clayton County Water Authority. Consequently, management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control network that is designed both to protect its assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Clayton County Water Authority's financial statements in conformity with generally accepted accounting principles (GAAP).



Because the cost of internal controls should not outweigh their benefits, the Clayton County Water Authority's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Clayton County Water Authority's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Clayton County Water Authority, for the fiscal year ended April 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A contains a narrative overview and analysis of the financial activities of the Authority. Clayton County Water Authority's [Management Discussion and Analysis](#) can be found in the [Financial Section](#) immediately following the independent auditors' report. This transmittal letter, which is designed to assist users in assessing the government's financial condition, should complement the MD&A.

METHOD OF GOVERNANCE

The Clayton County Water Authority is governed by a Water Authority Board of Directors composed of seven members. Each of them serves on a part-time basis for a term of five years and may be reappointed for additional terms. Members of the Board are appointed by the Clayton County Board of Commissioners. The Chairman, Vice-Chairman and Secretary-Treasurer are elected by and serve at the pleasure of the Water Authority Board.

The Authority operates utilizing a Board of Directors-Administrator form of organization. The Board of Directors adopts a balanced operating budget annually and establishes billing rates and fees for the operations of the Water Authority. The Board also approves the capital projects budgets and any issuance of debt to fund those construction activities.

The General Manager is appointed by and serves, at the pleasure of the Board. The General Manager has the responsibility of administering operations, in accordance with the policies and the annual budget adopted by the Board of Directors. Performing under the general direction of the General Manager, certain managers and directors are responsible for the day-to-day operations of various functional areas of the organization.

PROFILE OF THE CLAYTON COUNTY WATER AUTHORITY

Under an Act of the Georgia General Assembly, approved March 7, 1955 (Georgia Laws 1955, page 3344), the Clayton County Water Authority was created. The enabling legislation authorized the Authority to acquire, construct and thereafter operate and maintain projects embracing sources of water supply, the distribution, sale of water and its related facilities.

On May 1, 2007, the Authority began providing stormwater services to all the residents of the County. To cover the costs of maintaining the stormwater infrastructure, residential customers are charged a flat monthly charge of \$3.75



and non-residential customers are charged \$3.75 per 2,950 sq. ft. of impervious surface, which is the average amount of impervious surface on a residential lot.

POPULATION

Out of the 159 counties located in Georgia, Clayton County is one of the smallest, in terms of land size, with an area of only 143 square miles. With 296,564 residents, according to most recent 2022 population estimates, it is one of the most densely populated counties in Georgia. There are six incorporated cities located within the county: Forest Park, a portion of College Park, Jonesboro, Lake City, Lovejoy, Morrow, and Riverdale; and the City of Jonesboro, which is the county seat. This suburban community is located just minutes south of downtown Atlanta and is an integral part of the Atlanta Metropolitan Statistical Area (MSA).

TRANSPORTATION AND ACCESSIBILITY

An important attribute of Clayton County is its location in relationship to major transportation modes and the availability of several cost-effective alternatives for moving people and goods in the immediate area.

AIR: Hartsfield-Jackson Atlanta International Airport, which lies mostly within Clayton County proper, is a major hub in the air transportation business and has been titled the busiest airport in the world since 2000. Hartsfield-Jackson Atlanta International Airport has annually recorded the largest amount of passenger traffic in the industry since 1998. In May 2012, the airport opened its new \$1.4 billion international concourse and handled over 9.8 million passengers in its first year of operation. In 2016, the airport began work on the \$8.6 billion in projects outlined in its 20-year master plan.



Additional Hartsfield-Jackson Atlanta International Airport statistics:

- Has a total regional economic impact of \$64.3 billion annually
- Has over 63,000 employees and estimated annual payroll of \$4.2 billion
- Largest employment center in the State of Georgia
- Terminal and parking areas of 4,750 acres
- Airport complex including parking is largely, physically located in Clayton County and is the Authority's largest Stormwater customer
- Atlanta is within a 2-hour flight of 80% of US population
- 105.2 million passengers annually; 288,000 passengers daily

ROADWAY/MOTOR VEHICLE: Four different interstate highways, I-75, I-85, I-285 and I-675, have 19 exits throughout Clayton County. In terms of other major roads, U.S. highways 19, 23, 29 and 41 and eight state routes are also available to serve our citizens. There are approximately 1,400 miles of paved roads, expressways and streets located within the County. Atlanta's beltway, Interstate 285, provides easy access to all areas of Atlanta and to east/west bound Interstate 20.





CLAYTON COUNTY, GEORGIA

2022 Population Estimates

296,564

Median Household Income

\$51,945

Personal Income, per capita

23,532

Labor Force

196,325

Median Housing Value

\$136,600

Total Housing Units

115,862

Veterans

16,105

Mean Travel Time to Work (Minutes)

31.9

Percent of households with a broadband Internet subscription

85.1%

Source: www.census.gov; 2022

Other transportation needs of the local community can also be easily accommodated. The Georgia Regional Transportation Authority (GRTA) offers express bus service that provides workday commuters an alternative to driving their vehicles to downtown Atlanta employment centers. A large, conveniently located park and ride lot situated on a major arterial in Jonesboro provides access to this service. MARTA has a large presence in Clayton County with 633 bus stops that support 13 routes and 7,000 passengers daily. Approximately, 560 County residents are employed by this transit service. In addition, MARTA will expand in the County with two recent major initiatives which include new bus routes along GA Highways 139 and 85 and adding a commuter rail on existing Norfolk Southern rail line.

RAIL: For those businesses needing to move freight, there is direct rail service provided by the Norfolk Southern Railways System. In addition, Amtrak has passenger trains, which pass through nearby Atlanta. Approximately 30 freight truck lines serve the County with both intrastate and interstate service. In addition, the Greyhound Bus Line operates a local terminal in nearby Hapeville. Moreover, for international shipping, Savannah, Georgia and Jacksonville, Florida serves as major deep-water seaports, which can easily be reached by interstate highway in a matter of hours.

EDUCATION

The Clayton County Board of Education currently operates sixty-six public schools and thirteen of which are high schools. There are also five private schools currently operating in the county. Clayton State University is located within the County and is part of the University System of Georgia.

Some of the other institutions of higher education located in the Atlanta metropolitan area include Agnes Scott College, Atlanta University Complex, Emory University, Georgia Institute of Technology, Georgia State University, Kennesaw State University, Life University, Mercer University, Oglethorpe University, and Spelman College. The Southern Crescent Technical College and Atlanta Technical College are also located in counties adjacent to Clayton.



CUSTOMERS

As of April 30, 2023, the Authority served 87,239 water customers, 70,556 sewer customers and 84,761 stormwater customers.

<i>Type of Customer</i>	Water		Sewer		Stormwater	
	<i>April 30, 2023</i>	<i>April 30, 2022</i>	<i>April 30, 2023</i>	<i>April 30, 2022</i>	<i>April 30, 2023</i>	<i>April 30, 2022</i>
Residential	80,362	80,300	66,395	66,296	79,528	79,469
Multi-Family Residential	9	11	9	9	12	12
Total Residential	80,371	80,311	66,404	66,305	79,540	79,481
Commercial	4,822	4,735	2,991	2,950	3,859	3,795
Motel	99	99	51	51	49	49
Multi-Family	487	481	363	359	369	365
Mobile Homes	29	31	22	22	17	18
Total Commerical and Multi-Family	5,437	5,346	3,427	3,382	4,294	4,227
Industrial	71	74	45	47	41	45
Institutional	837	854	474	491	596	621
Government	322	337	158	166	226	237
Cities and Counties	11	11	4	3	1	0
CCWA/Other	190	194	44	44	63	63
Total Industrial and Municipal	1,431	1,470	725	751	927	966
Total Customers	87,239	87,127	70,556	70,438	84,761	84,674

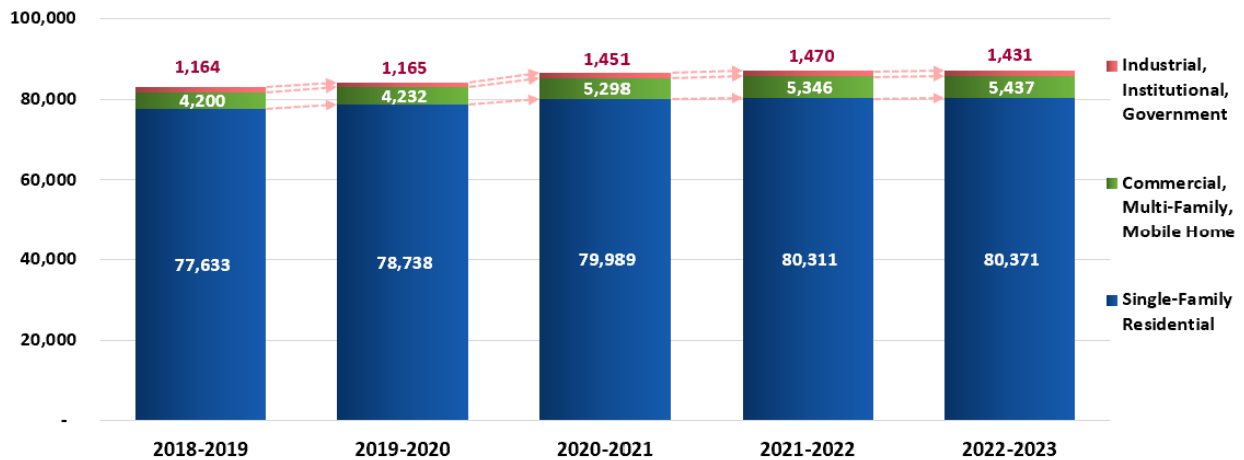




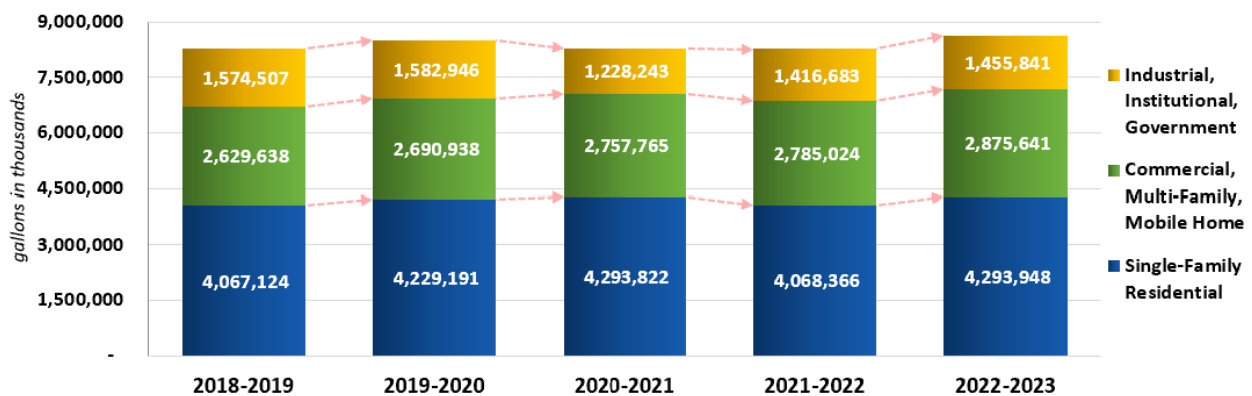
WATER CUSTOMERS AND USAGE

The number of water customers has increased by almost 16 percent over the last ten years and has averaged 2 percent annual growth for the previous five years, as shown. Water usage has increased by 16 percent over the previous ten years, averaging 0.7 percent annual growth over the previous five years, as shown.

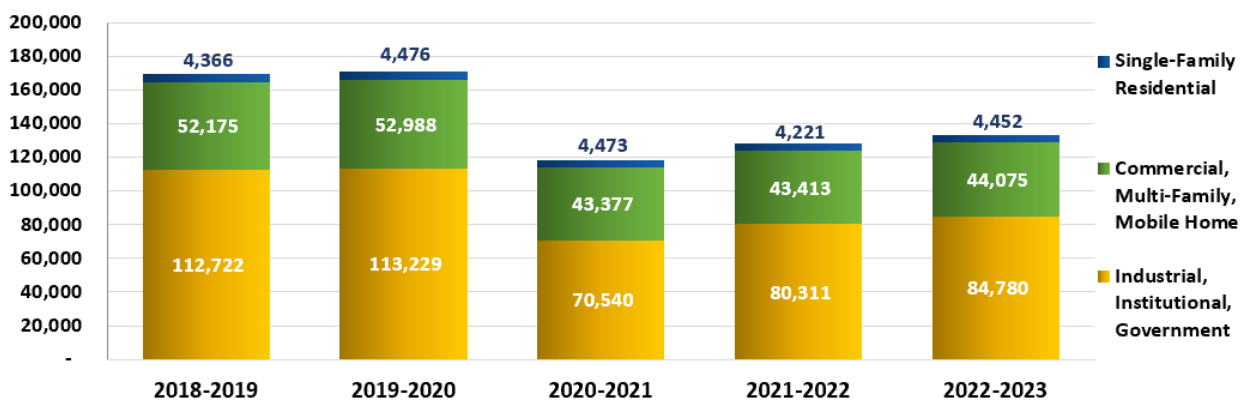
WATER CUSTOMERS BY CATEGORY



WATER USAGE BY CATEGORY



AVERAGE WATER USAGE BY CATEGORY

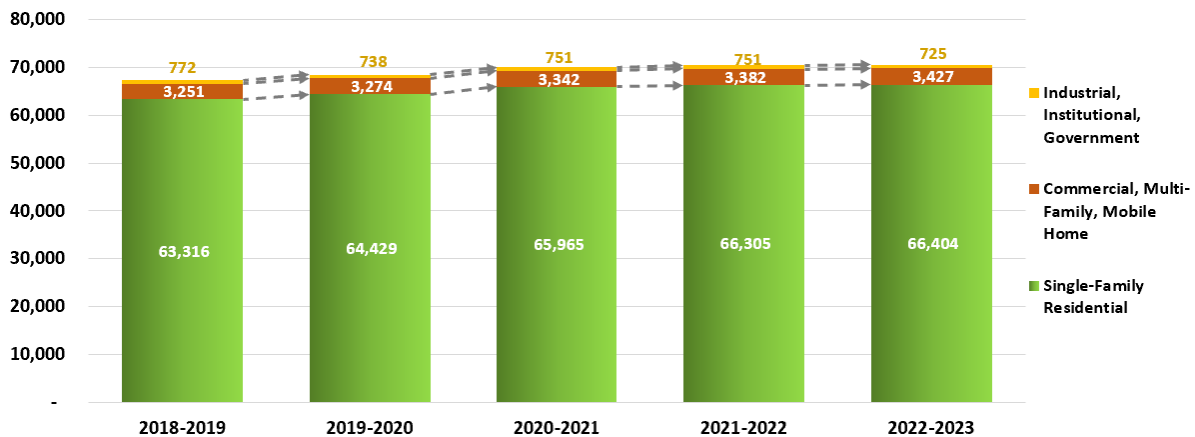




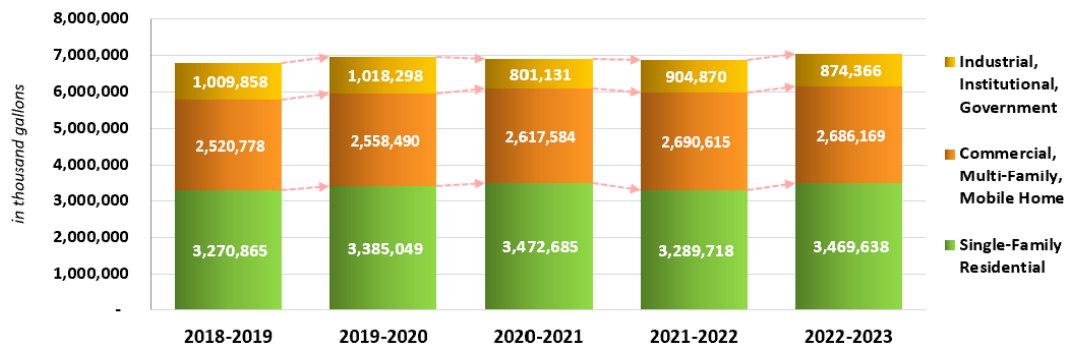
SEWER CUSTOMERS AND USAGE

The number of sewer customers has grown by 16 percent over the last ten years and has averaged 1.3 percent annual growth for the previous five years, as shown. For the majority of the Authority's customers, sewer usage is based on water usage and trends accordingly.

SEWER CUSTOMERS BY CATEGORY



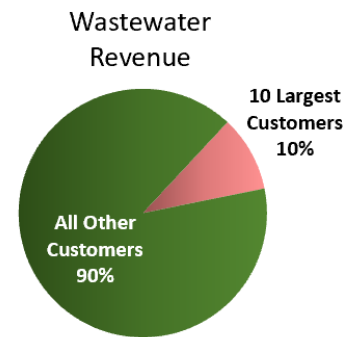
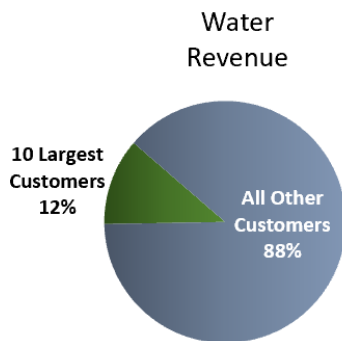
SEWER USAGE BY CATEGORY





TOP TEN WATER AND SEWER CUSTOMERS BY REVENUE

Water			Wastewater		
Customer	Revenue	Percent	Customer	Revenue	Percent
Fresh Express	\$ 1,446,018	2.34%	Fresh Express	\$ 1,844,518	3.46%
Clayton County Board of Education	1,142,994	1.85%	Hunter Ridge MHP LLC	750,814	1.41%
Clayton Co Bd of Commissioners	984,253	1.59%	Clayton County Board of Commissioners	680,838	1.28%
City of College Park	816,794	1.32%	Clayton County Board of Education	491,242	0.92%
Clorox Co	801,322	1.30%	Club Chef Southeast LLC	288,700	0.54%
Hunter Ridge Mhp LLC	696,251	1.13%	Clorox Co	271,592	0.51%
Clayton State University	383,740	0.62%	Riverwalk Lane Legacy Apartments LLC	251,667	0.47%
House of Raeford Farms	326,056	0.53%	Marcie Sales Inc	246,513	0.46%
Tara MHP Jonesboro GA LLC	289,732	0.47%	Toto USA Inc	223,560	0.42%
Deer Creek MHP Stockbridge GA LLC	280,125	0.45%	Kabobs Inc	221,789	0.42%
10 Largest Customers	\$ 7,167,285	11.61%	10 Largest Customers	\$ 5,271,234	9.87%
All Other Customers	54,563,278	88.39%	All Other Customers	48,113,286	90.13%
Total	\$ 61,730,563	100.00%	Total	\$ 53,384,520	100.00%



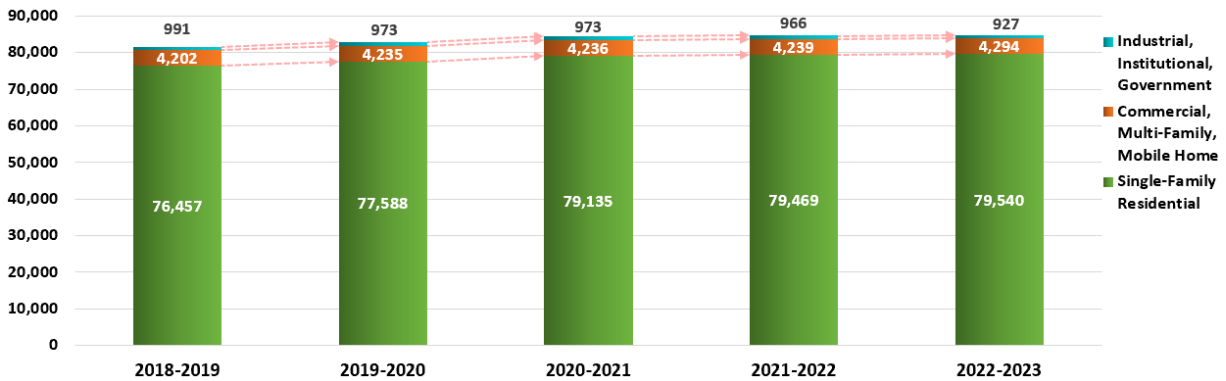
Additional information about the Authority's customer base, usage and related revenue trends can be found in the [STATISTICAL SECTION](#) in beginning on [Schedule 7](#) and through [Schedule 19](#).





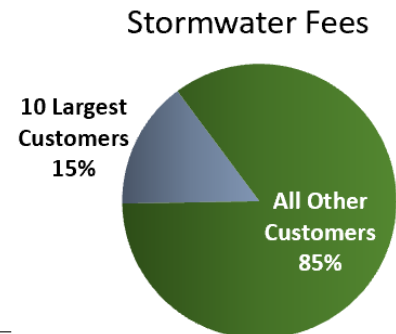
STORMWATER CUSTOMERS

The number of stormwater customers, in all categories, has continued to trend upward.



TOP TEN STORMWATER CUSTOMERS BY FEES PAID

Customer	Stormwater	
	Fees	Percent
Department of Aviation (<i>Hartsfield-Jackson Airport</i>)	\$ 620,009	5.75%
Clayton County Board of Education	358,585	3.32%
Clayton County Board of Commissioners	144,322	1.34%
Georgia Power Co	114,881	1.07%
Georgia Dept of Agriculture	84,575	0.78%
Kroger	78,398	0.73%
J C Penney Catalog Division	62,631	0.58%
Weeks Robinson Properties	58,119	0.54%
Hunter Ridge MHP LLC	55,126	0.51%
Site Manager	50,492	0.47%
10 Largest Customers	\$ 1,627,138	15.09%
All Other Customers	9,157,436	84.91%
Total	\$ 10,784,574	100.00%



JCPenney



Hartsfield-Jackson
Atlanta International Airport

Georgia Power



OVERVIEW OF THE SYSTEM



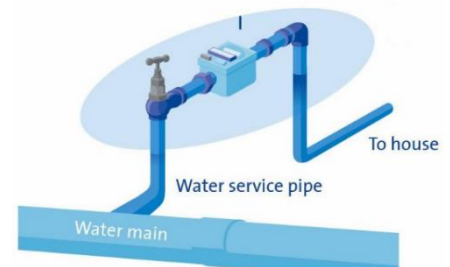
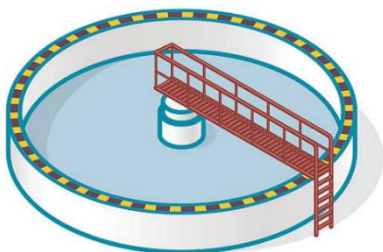
The Authority owns and operates five raw water reservoirs:

- **J.W. Smith** - 240 acres in size, holding approximately 844 million gallons of water at capacity
- **Shamrock** - 78 acres in size, holding approximately 260 million gallons of water at capacity
- **Edgar Blalock, Jr.** - 263 acres in size, holding approximately 889 million gallons of water at capacity
- **William J. "Billy" Hooper** - 143 acres in size, holding approximately 180 million gallons at capacity
- **Shoal Creek** - 387 acres in size, holding 2.19 billion gallons of water at capacity

INTERCONNECTIONS

Drinking Water: The Authority has six connections with the City of Atlanta that can be activated “on demand” pursuant of a contract that expires December 31, 2023. The Authority has piping capable of providing about 5 MGD, in additional supply from these connections. More connections exist with the water systems of neighboring DeKalb and Fayette Counties.

Wastewater Treatment: The Authority has a contract with DeKalb County for 1 MGD of capacity.





DISTRIBUTION AND CONVEYANCE INFRASTRUCTURE

The Authority maintains almost (1,500) miles of water distribution lines, (1,400) miles of sewer conveyance pipe and (500) miles of stormwater pipe.



BOND RATING

The Clayton County Water Authority has a bond rating from Standard & Poor's of AA+ and from Moody's of Aa2. Bonds with this rating are judged to be of high quality. AAA and AA bonds are referred to as "High Grade." In general, the higher the grade, the lower the interest costs to the borrowing municipality.

As of April 30, 2023, the Authority had outstanding revenue bonds totaling \$19.6M. The 2012 Series bond matured with the final bond payment to bondholders made on May 1, 2023.

LOCAL ECONOMY

Income growth is positively correlated with job growth and lower unemployment rates. Since the 1990's, job growth, in the southern crescent of Metro-Atlanta, has largely been rooted in the construction that occurs during a strong housing market and economic expansion. Clayton County has benefited from this type of expansion due to the growth in the film industry and the development surrounding Hartsfield-Jackson Atlanta International Airport.

A modern, extensive transportation along with logistical infrastructure allows Georgia to compete effectively in a global marketplace. Hartsfield-Jackson International Airport is the world's busiest passenger airport and 10th-largest in the nation for cargo. Georgia's deep-water ports and inland barge terminals are a major reason Georgia now ranks second nationally in exports. Moreover, with 5,000 miles of railroad track, Atlanta is the rail center of the South and the largest intermodal facility on the East Coast.

Several recent transportation projects in Clayton and Henry counties have eased congestion on busy Interstate 75. Clayton County voters approved a 1 percent sales tax to fund Metropolitan Atlanta Rapid Transit Authority bus service (MARTA), which has over 160 stops. MARTA links the County's workforce to major employers and activity centers



throughout the Metro-Atlanta area. In 2019, a new express lane was added to Georgia's toll road network easing traffic congestion between Henry and Clayton Counties between the I 75 and I 675 interchanges.

Hartsfield-Jackson Atlanta International Airport is a powerful economic driver and two community improvement districts (CIDs), Airport West and Airport South (North Clayton County), have joined forces as the Atlanta Aerotropolis Alliance to assist the airport into becoming a major economic hub. These CIDs are coordinating plans for the creation of an "Airport City" that will attract new commercial office space, first-class hotels, entertainment venues, condominiums, apartments, and other residences. The airport currently has a total regional economic impact of \$64.3 billion annually. The airport is CCWA's largest stormwater customer bringing in revenues for the proprietary fund of more than \$600 thousand annually.

The Atlanta Aerotropolis Alliance, comprised of businesses, local government representatives, nonprofits, and other key stakeholders, is playing a major role in forging Hartsfield-Jackson into an even stronger economic development tool for the region. More than 50 percent of Fortune 500 corporate headquarters are located within 10 miles of U.S. hub airports and air travel. Both passengers and cargo are expected to triple between 2010 and 2030 in airports around the world. Airports are evolving into the actual destination of the traveler and not just places of departure and arrival.

As more businesses come into the area, more jobs will be created which spurs more amenities. This will start a perpetual cycle, as it will make the area an even more attractive choice for additional business relocations. The actual development and renovation of the airport has also created additional jobs and economic impact. In 2016, Hartsfield-Jackson began construction on \$6 billion projects in listed in its 20-year master plan. The Authority's service area will see economic gains from the development surrounding Hartsfield-Jackson Atlanta International Airport.

In addition to offering some of the best tax incentives in the metro region, Clayton County is taking a proactive approach to bringing in new business with an innovative "Concierge Service" program. This initiative is designed to streamline the process of doing business in the County by streamlining processes and eliminating much of the bureaucratic red-tape and need to contract multiple departments or areas to get things done.

Georgia is taking a leading role in the movie industry, which contributes 55,000 jobs and \$9.5B in annual economic impact to the state. The film industry attracts multiple types of commercial and retail businesses to support its movie set building, actors, and stage crews. EUE/Screen Gems Studios Atlanta opened a 11-stage, 33-acre studio complex in 2010 on the former Lakewood Fairgrounds. Fayette County, Clayton County's southside neighbor, boasts Trilith studios (Pinewood Atlanta Studios) situated on 700 acres with five state-of-the-art sound stages.

Clayton County benefits directly from the movie industry growth as actor and producer, Tyler Perry purchased 330 acres of the 488-acre site at the closed Fort McPherson army base in East Point is one of the largest production facilities in the US. It showcases forty buildings on the National Register of Historic Places, twelve purpose-built sound stages with a total of 200,000 SQF, 200 acres of greenspace and a diverse backlot. This studio can film 10 to 20 productions simultaneously, employing over 5,000 people.

In 2017, Los Angeles developer of film studios stated plans to build a five-stage, state-of-the-art studio complex in Clayton County, giving another boost to film production in the County. Managed by Pacifica Ventures, the new studio will be named Clayton County Studios. The new \$12 million studio was built between Lake City and Morrow on 27 acres directly across the street from the National Archives in Morrow. Five sound studios, being between 18,000 and



20,000 square feet each were constructed under the first phase. The complex includes production offices, post-production space, a green screen, mill and construction space and a commissary. When completed, it will be the company's second film-production studio in the United States. It has a nine-stage studio in Albuquerque, N.M., where hits like "Breaking Bad" and "The Avengers" were produced. The company chose the location because of its proximity to Hartsfield-Jackson International Airport and downtown Atlanta.

The Georgia Department of Economic Development (GDEcD) announced that during 2021, the film and television industry set a record with \$4 billion in direct spending on productions in the state. The Georgia Film Office, a division of GDEcD, reported that these numbers are due to a variety of factors in addition to the state's overall attractive-ness to the film industry, including an earlier safe return to production, pent-up demand from the COVID-19 hiatus, and the associated expenses to mitigate risk.

Film tourism has also had an economic impact on the state. With additional studios and movie productions, this revenue stream will continue to grow. Fans from all over the world visit Senoia, Georgia, which was redeveloped to film the popular television show The Walking Dead. Covington has had similar success from The Vampire Diaries, which has a real-life replica of the Mystic Grill, a familiar setting on the show. The State's film office has launched a website, TourGeorgiaFilm.com, to cater specifically to film tourism.

With its headquarters located just over the Clayton County border and Hartsfield-Jackson Atlanta International Airport its primary hub, Delta Airlines has a large impact on economic growth for the County. Based on Flightglobal; Flight Airline Business reports, Delta is the second leading airline worldwide transporting 186.4 million passengers annually in 2017. It is focusing growth in international markets and expanding its routes to China and Korea where air travel to Atlanta is expected to grow 56% and 33%, respectively by 2023.

Porsche Cars North America created a 26-acre complex at the former Ford Motor Company site in Hapeville. This complex includes its headquarters building, the Porsche Technical Service and Training Center and the Porsche Customer Experience Center that features a 1.6-mile test track and handling road course. Walmart completed a \$108M new fulfillment center to process online orders which has added 400 new jobs over the past couple of years.

CLAYTON COUNTY ECONOMIC UPDATES

🔥 Film Studios – South Atlanta:

- Clayton County Studios
- Atlanta Metro Studios
- Tyler Perry Studios
- EUE/Screen Gems LTD
- Trilith (Pinewood)

🔥 Economic Impact to Georgia:

- \$9.5 billion
- 55,000 – 92,000 jobs
- 3,040 businesses supported

🔥 Number of Productions:

- 2021: 366
- 2020: 242
- 2019: 391
- 2018: 455

🔥 2020 Emmy Nominations - Georgia:

- 50

🔥 Famous Productions:

- Walking Dead
- Black Panther
- Hidden Figures
- Hunger Games
- Stranger Things
- Ozark
- Watchmen

Source: Georgia Department of Economic Development; Clayton County Office of Economic Development and Film



The Forest Park Urban Redevelopment Agency has developed the Fort Gillem Army site for new industry and distribution centers. Kroger has a salad and vegetable preparation and distribution center at this location. Castellini Group, a large distributor of fresh produce, also has a location here and operates a complete vertical supply chain company that provides services from tomato ripening and repacking, to processing and transportation.

The Tri-Cities Urban Redevelopment Agency is comprised of three Urban Redevelopment Agencies: Forest Park, Lake City and Morrow. These redevelopment agencies have a total of 2,350 acres and 935 individual parcels along 11 miles of commercial corridors in Clayton County and help encourage economic development.

LONG-TERM FINANCIAL PLAN

When the need arises, the Authority incurs capital-financing debt through the issuance of revenue bonds or State Revolving Fund (GEFA) loans. In adhering to conservative business operating practices, the debt is structured to maintain a level debt service payment over future periods. To further ensure fiscal stability, the Authority is required, by its bond ordinances, to maintain a debt service reserve and a bond sinking fund. One-twelfth of the annual interest and principal payments are deposited into the bond sinking fund each month. Interest payments are made semi-annually, and principal payments are made annually. Debt service funds are invested solely in a U.S. treasury money market fund. The last outstanding revenue bonds are the 2012 Bond Series. The final payment to bondholders will be made on May 1, 2023, retiring the series.

The Authority, per its adopted bond ordinance, maintains a rate covenant of one and two-tenths to one, 1.2x, annual debt service coverage ratio. This means that gross revenues minus operating expenses, excluding depreciation, each fiscal year must be sufficient to cover 120 percent of the bond debt service requirements that are due for that year.

A higher “target” coverage factor has been identified by the Board of 150 percent of the bond debt service requirement. [Schedule 21](#), located in the [Statistical Section](#), verifies that the Authority exceeded that higher target for this and the previous nine fiscal years.

CAPITAL IMPROVEMENT PROGRAM

Integral to the Authority’s Capital Improvement Program, is its Strategic Master Plan (SMP). The Authority prepares a detailed ten-year strategic master plan every ten years and conducts mid-term updates every five years. Mid-term updates provide an opportunity to measure the progress of the plan’s implementation and allows for a recalibration of the plan based on economic, demographic, regulatory and environmental factors that may have changed since the plan’s inception. The 2020 Strategic Master Plan was completed in the 2019 – 2020 fiscal year. The plan identified 145 projects with total costs estimated at \$665 million to be completed over the next ten years. The 2020 SMP was complemented by a Financial Strategy and Rate Modeling initiative to assist in the long-term strategy to fund the projects identified.

The Authority uses the SMP as a guide, implementing strategies and improvements identified. It not only includes capital improvements, but also strategic business practices identified to assist CCWA in achieving its vision of Quality Water and Quality Service. This plan also incorporates an Information Technology (IT) Master Plan and a Strategic Asset Management Plan (SAMP). The latter was completed and implemented in April 2019. Each year projects in the SMP are prioritized and used as an annual budgeting and work priority guide.



The SMP uses seven operating strategies necessary to ensure we are a best-in-class utility. “Levels of Service” and performance targets were developed for each strategy so that we can gauge our success and identify areas of improvement and where to focus resources. These performance metrics are reviewed and updated, as necessary. This information is then used to develop annual work priorities so that staffing and financial resources are not overburdened and are used strategically to drive success.

On March 14, 2023, EPA issued its Draft Rule, the proposed National Primary Drinking Water Regulation (NPDWR), for six PFAS including: perfluorooctanoic acid (PFOA), perfluorooctane sulfonic acid (PFOS), perfluorononanoic acid (PFNA), hexafluoropropylene oxide dimer acid (HFPO-DA, commonly known as GenX Chemicals), perfluorohexane sulfonic acid (PFHxS), and perfluorobutane sulfonic acid (PFBS). The proposed PFAS NPDWR does not require any actions until it is finalized. EPA anticipates finalizing the regulation by the end of 2023.

CCWA implemented a comprehensive sampling program to identify PFAS compounds in our water system and began our monitoring program in 2020. The Authority determined that long-term, it would treat for PFAS despite being well below the Health Advisory issued in 2016. We have been proactively working with the Georgia Environmental Protection Division (GA EPD) to test and monitor for PFAS compounds in anticipation of potential regulation.

Advanced treatment technologies such as granular activated carbon (GAC) and reverse osmosis perform best at removing small levels of PFAS compounds found in our water supply. CCWA is currently conducting a study to determine the most optimal treatment technology for our water. These technologies are very expensive, so CCWA is seeking all financial opportunities for low interest loans and grants to help reduce the financial burden on our rate payers. In August 2023, CCWA was awarded a \$16 million Drinking Water State Revolving Fund loan by the Georgia Environmental Finance Authority (GEFA). We also anticipate receiving an additional \$14 million federal grant for emerging contaminants from GEFA. These funds will be used to fund the design phase for treatment improvements at two of our water treatment plants.

QUALITY WATER, QUALITY SERVICE PERFORMANCE MANAGEMENT

“Levels of Service” were established to measure expected organizational performance against actual performance and work as the Authority’s Key Performance Indicators (KPIs). These metrics are measured on a daily, monthly, quarterly, or annual basis and are reported to the Board of Directors monthly. Programs or projects are implemented to improve or enhance performance.





PRIORITIES

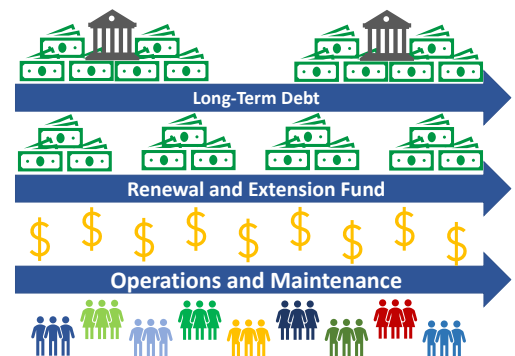
The table below lists the challenges that the Authority faces and management's approach to addressing these issues, by the priority of its projects, in each year's capital improvement program.

Challenge	CCWA Approach
Project Funding	Balanced approach to funding projects: (1) Debt (2) "pay as you go approach", and (3) Rate Increases
Workforce Continuity	Plan for and anticipate changes in CCWA's workforce to limit loss of institution knowledge.
Water Quality/Regulatory Issues	Evaluate micro-constituents in CCWA's water supply reservoirs to determine treatment options, potential impacts to indirect potable reuse system and the cost implications should regulations be implemented.
Maintenance of Infrastructure and Assets	Utilize risk-based approaches to maintain, upgrade, and operate existing physical assets cost effectively.
Innovation and Technological Advancement	Implementation of innovative projects and processes across the utility. Implement technologies across the utility to automate processes and allow increased staff mobility.

PROJECT FUNDING

Maintaining a balance between the costs of system renewal while maintaining affordable rates for our customer base plays a significant role in the timing of capital improvements. With the current customer base and usage levels, rates for both water and sewer would have to be raised by 1 percent for every \$1M in additional cash flow needed.

Intergenerational Equity is the concept that the beneficiaries of the service should be those that help pay for the service. Through monthly water bills, the customers of the system at any point in time pay for the everyday maintenance of the system plus help fund small to medium-sized projects through accumulation of funds in the Renewal and Extension Fund. For large projects that will benefit customers over several decades, funding through debt would be an equitable way to spread the cost of the project with those multiple generations of customers or citizens.





As of April 30, 2023, the Authority had one revenue bond issue with an outstanding principal balance of \$19.6 million. The final bond payment on this remaining 2012 bond series will be made on May 1, 2023. The Authority, when possible, chooses to utilize its Renewal and Extension Program rather than incur additional debt to finance its capital projects.

In addition to the remaining revenue bond, the Authority has eight State Revolving Fund loans with the Georgia Environmental Finance Authority (GEFA).

Two of the GEFA loans of \$25M each were awarded to fund a portion of approximately \$99M large sewer interceptor rehabilitation projects. The 2016 loan has an interest rate of 0.65% and the 2020 loan has an interest rate of 0.56%. Each loan has a repayment term of 15-years beginning when construction is complete. There is no prepayment penalty. If all the funds are drawn, the annual debt service will be \$1.7M for each of these loans. The first GEFA Outfall loan went into repayment for the full \$25M on August 1, 2021. On April 30, 2023, the outstanding balance on this loan was \$22.1M. The second GEFA outfall loan is still in the disbursement phase and will have an outstanding principal balance of approximately \$14.0M at the end of the fiscal year.



GEFA has approved two construction loans of \$50M each for the construction of biosolids treatment at the WB Casey Water Resource Recovery Facility (WRRF) with an estimated project budget of \$156M. The first GEFA Biosolids loan was approved by GEFA in May 2021 and the second loan was approved in May 2022. Each loan has an interest rate of 0.13 percent and a repayment term of 20 years to begin when disbursement is completed. Each loan will have annual debt service of \$2.5M. On April 30, 2023 the first Biosolids loan has drawn \$2.6M from the first of the two \$50M construction lines.

In January 2023, GEFA awarded the Authority a \$25M Drinking Water loan for the replacement of its existing automatic meter (AMR) system with an advanced metering infrastructure (AMI) system. This loan has an interest rate of 1.92% and a 20-year repayment term beginning when construction is completed. As of April 30, 2023, no funds have been disbursed.

The Authority has two additional GEFA loans that are in repayment. The first loan was used to finance the construction of one of the phases of the constructed wetlands. The outstanding principal balance on April 30, 2023 was \$1.2M and the final payment will be November 1, 2025. The second loan funded the addition of backflow devices within our distribution system. As of April 30, 2023, the outstanding principal balance of this loan was \$768K and its final payment will be made on March 1, 2026. Both loans have a 3% interest rate and 20-year repayment terms.

The Stormwater Fund was awarded a \$10M GEFA Clean Water loan in May 2021. These funds will be used to repair and replace several major culverts throughout the County. The loan has an interest rate of 0.13% and will have a 20-year repayment term beginning when construction is completed. As of April 30, 2023, the outstanding balance was \$4.1M.

WORKFORCE CONTINUITY

The Authority has implemented a succession planning process to maintain stability in its operations as changes in staffing occur. The process includes routine evaluation of staff and critical positions by department directors and managers. It also includes periodic reporting of this information by directors to a "Talent Development Committee" comprised of human resource personnel and executive leadership. In FY 2021 – 2022, the Authority completed a



comprehensive compensation study that evaluated all existing positions and updated job descriptions, job titles and salary ranges if needed. The recommendations of the study were implemented effective May 1, 2023.

WATER QUALITY AND REGULATORY ISSUES

Along with stormwater, the water and sewer industries are heavily impacted by both current and emerging regulations. The strategic master plan lists eighteen projects with total estimated costs of \$288 million dollars that address regulatory and capacity issues.

INNOVATION AND TECHNOLOGY ADVANCEMENT

Technology is a vital component of the Authority's operation. There are eight projects with an estimated cost totaling \$5 million dollars listed in the master plan addressing technology needs over the next ten years.

MAINTAINING INFRASTRUCTURE AND ASSETS

The United States' aging infrastructure has been discussed frequently by news media in recent months. The Authority is systematically addressing the aging infrastructure in Clayton County with projects outlined in its strategic plan. The Strategic Asset Management Plan (SAMP) addresses the ongoing maintenance of assets through the development of operational procedures and practices. This priority of maintaining infrastructure and assets consumes the lion's share of projected Strategic Master Plan (SMP) spending over the next ten years. There are twenty-two projects with total estimated costs of \$255 million dollars that are focused on the assessment, maintenance and replacement of stormwater, sewer and water pipe infrastructure, forty-five projects with total estimated costs of \$89 million dollars associated with the maintenance and replacement of facilities and other Authority assets, and twenty-six SAMP initiatives estimated at \$3.9 million dollars to develop procedures and practices to maintain and manage net capital assets of \$590 million dollars and growing. Of these projects, GEFA loan disbursements will cover \$50 million dollars of Large Interceptor Rehabilitation project costs.

CURRENT YEAR CAPITAL INITIATIVES

As of April 30, 2023, there were 284 active construction projects accounting for \$77.5 million in construction in progress. There was an additional \$85 million dollars in restricted cash budgeted for current and future capital work. Capital projects included in the *FY 2023 - 2024 Budget* are listed in the tables below.

Water and Sewer Capital Projects

Construction Line	Project Description	Amount Budgeted
[OP003]	[SMP 20-703] Casey Biosolids (Pre-Fund GEFA Disbursements)	\$ 6,000,000
[OP007]	[SMP 20-611] Large Diameter Sewer Main Replacement; Riverdale Outfall PH 1	6,000,000
[RE166]	[SMP 20-607] Atlanta Lift Station East and West Outfalls	1,000,000
[RE174]	[SMP 20-601] Galvanized Water Main Replacement	1,750,000
[RE219]	[SMP 20-910] Lift Station Rehabilitation	1,700,000
[RE233]	Shoal Creek WRF Improvements	2,400,000
Total Capital Projects		\$ 18,850,000

Stormwater Capital Projects

Construction Line	Project Description	Amount Budgeted
[SW004]	[SMP 20-207] Cured In Place Pipe (CIPP)	\$ 1,385,114
[SW005]	[SMP 20-207] Renewal and Replacement Pipe (Open-cut)	1,000,000
[SW010]	Watershed Improvement Projects	500,000
Total Capital Projects		\$ 2,885,114



INTERNAL CONTROLS

The Authority maintains internal accounting controls to ensure that the Authority's assets are protected from loss, theft, or misuse; adequate accounting data allows financial statements to conform to GAAP. These controls provide reasonable, but not absolute, assurance of meeting the Authority's objectives recognizing that: 1) the cost of accounting control should not exceed the likely benefit, and 2) evaluating costs and benefits requires management estimates and judgments.

The Authority's financial policies encompass the following functional areas:

- Operating Budget Policy
- Capital Budget Policies
- Accounting, Auditing and Financial Reporting Policies
- Revenue Administration Policy
- Expense Administration Policy
- Debt Management Policy
- Investment Policy
- Reserve Policy
- Risk Management Policy
- Purchasing Policy

RELEVANT FINANCIAL POLICIES

As one element of its financial policies, the Authority has adopted a debt policy, which provides that the Authority will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. That policy also precludes the use of debt for the purchase of vehicles and other rolling stock. All funds acquired through the issuance of debt to provide for the construction or acquisition of capital items have been exhausted in previous fiscal years.

CASH MANAGEMENT POLICIES AND PRACTICES

In carrying out its mission as an enterprise utility, the Authority is not the beneficiary of any tax related revenues. The Clayton County Water Authority functions solely from those revenues generated from its operations in providing water, sewer, and stormwater service to its customers. One of the Authority's investment policies is that the safety of principal is a priority.

Except for Debt Service Funds and those of the OPEB Trust, idle funds are held as demand deposits. The interest-bearing accounts are fully collateralized at 110% of deposits by direct Federal obligations pledged to a collateral pool for public funds that is monitored by the State.

All receipts are deposited daily and are fully collateralized by the banking institution as part of the Georgia Office of Treasury and Fiscal Services' (OTFS) Pooled Funds program. Acceptable collateral levels are marked to market by this State agency to ensure that the depository has pledged sufficient collateral to cover all public funds in the pool program. The collateralization requirements that have been established by the State are 110% of the bank balance.

Debt Service Reserve and Sinking Fund investments are held in the money market fund are comprised of shares in a fund that holds U. S. Treasury Money Market Funds. The Authority can access these invested funds, as they are needed, with just a one-day notice to the fund manager. The Authority has one fiduciary fund, the OPEB Trust. This



Trust holds only exchange traded index funds or mutual funds that are actively traded and can be liquidated within 24-48 hours without penalty.

BUDGETARY CONTROLS

The Board of Directors will adopt the annual operating budget for the Authority no later than April 20th. Departments are expected to justify their budgetary requests. The budget process is intended to weigh all competing requests for resources, within expected fiscal constraints. All unencumbered operating budget appropriations will lapse at the year-end unless their carry-over is specifically approved by the General Manager. Encumbered balances will be re-appropriated in the following fiscal period. The Authority will maintain a budgetary control system to ensure adherence to the budget and will prepare timely financial reports comparing actual revenues, expenses, and encumbrances with budgeted amounts. All departments share the responsibility of meeting policy goals and ensuring long-term financial health.

The operating budget provides for adequate maintenance of capital equipment and facilities, as well as, for their orderly replacement. Funding priorities in the Operating Budget are aligned with the Strategic Master Plan that has been prepared by the management team. During the year, the Finance Department prepares and disseminates quarterly budget-to-actual reports for all operating funds to members of the management team and quarterly reviews with Executive leadership and department directors are held to discuss budget progress. The reports include an analysis of the revenue and expense activity year-to-date. The document will also discuss any significant deviations from the original budget operating plan.

AWARDS AND ACKNOWLEDGEMENTS

In March 2021, Clayton County and Clayton County Water Authority were jointly designated as a WaterFirst Community for continued leadership in water resource management, innovation, and education.



INDUSTRY AWARDS

The Authority is proud of its award-winning facilities and the outstanding professionals who run and maintain them.

During the 2021 and 2022, CCWA was recognized with several awards by the Georgia Association of Water Professionals (GAWP) and other professional organizations.

2022

- ◆ GAWP Water Reclamation Facility of the Year Award for the 6.9 – 9.9 Million Gallons Per Day Category – Northeast Water Reclamation Facility
- ◆ GAWP Public Education Program of Excellence Award
- ◆ GAWP Collections Top Operator for District 3 – Distribution & Conveyance Compliance Manager Charles Ecton
- ◆ GAWP Production Plant Platinum Awards for 100 percent compliance in 2021– J.W. Smith Water Production Plant (13 years), Terry R. Hicks Water Production Plant (21 years) and W.J. Hooper Water Production Plant (24 years)



- ◆ GAWP Water Reclamation Facility Gold Award for 100 percent compliance in 2021 – Shoal Creek Water Reclamation Facility
- ◆ GAWP Distribution System of Excellence Award (8 Years)
- ◆ GAWP Collection System of Excellence Award (4 Years)
- ◆ GAWP Laboratory Quality Assurance Gold Award – Municipal Wastewater Lab Serving Greater than 20 Million Gallons Per Day (MGD) – W. B. Casey Water Resource Recovery Lab (3 Years)
- ◆ Georgia Council for Human Resources 2022 HR Excellence Award – Team of the Year
- ◆ Georgia Local Government Personnel Association 2022 HR Agency Award of Excellence
- ◆ HRO Today2022 Innovation in HR Award and HR Team of the Year (finalist)

2021

- ◆ GAWP Biosolids/Residuals Program of Excellence for Small Operating Systems – Less than 5 Dry Ton Category – Northeast Water Reclamation Facility
- ◆ GAWP Public Education Program of Excellence in Water – for Large Systems
- ◆ GAWP’s Denise Skinner – Hurst Pretreatment Award went to Environmental Compliance Manager Jennifer Brandon
- ◆ GAWP Production Plant Platinum Awards for 100 percent compliance in 2020 – J.W. Smith Water Production Plant (12 years), Terry R. Hicks Water Production Plant (20 years) and W.J. Hooper Water Production Plant (23 years)
- ◆ GAWP Water Reclamation Facility Platinum Award for 100 percent compliance in 2020 – Shoal Creek Water Reclamation Facility (23 years)
- ◆ Cityworks Innovate Conference Award for Excellence in Departmental Practice – Spatial Assets
- ◆ GAWP’s Alva T. Storey Award – D&C Conveyance Manager Cornell Sims
- ◆ Government Finance Officers Association’s (GFOA) Distinguished Budget Presentation Award
- ◆ GAWP Collection System Excellence Platinum Award (7 years)
- ◆ GAWP Distribution System Excellence Platinum Award (3 years)
- ◆ GAWP Laboratory QA/QC Gold Award – Municipal Wastewater Lab Serving Greater than 20 Million Gallons Per Day (MGD) – W.B. Casey Water Resource Recovery Lab (2 years)
- ◆ Georgia Member Association of the Water Environment Federations (GWEF) Burke Safety Award – Northeast Water Reclamation Facility
- ◆ GAWP Consumer Confidence Report Award (Annual Water Quality Report) – Large Surface Water Systems
- ◆ Conveyance Manager Cornell Sims was inducted into the Georgia Association of Water Professionals Golden Manhole Society
- ◆ CCWA’s Communications & Community Relations Department earned a Public Relations Society of America – Georgia Chapter – Phoenix Award in Community Relations – Associations/Government/Nonprofit Organizations for its I’m Invested! Rate Awareness Campaign



FINANCIAL AWARDS

The Government Finance Officers Association (GFOA) awarded a ***Certificate of Achievement for Excellence in Financial Reporting*** to the Clayton County Water Authority for its annual comprehensive financial report (ACFR) for the fiscal year ended April 30, 2022. This was the thirty-fifth consecutive year that the Authority has received this prestigious award. To be awarded a Certificate of Achievement, the Authority had to publish an easily readable and efficiently organized ACFR satisfying both generally accepted accounting principles and applicable legal requirements.

In addition, the Authority received the ***GFOA's Distinguished Budget Presentation Award*** for its annual budget document dated May 1, 2022. The Authority has received the Distinguished Budget Presentation award for a total of 16 years. To qualify for the award, CCWA's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the administrative staff of the various departments; culminated by the Finance Department. We would like to express our appreciation to everyone who assisted and contributed to the preparation of this report. This would include the task of selecting the pictures for this year's cover along with the proofreading of all the financial and statistical information.

A great deal of the credit for our successes and achievements must be given to the Chairman and the entire Board of Directors for their unfailing support while maintaining the highest standards of professionalism in the management of the Clayton County Water Authority's finances. We commend you for your responsiveness and thank you for the opportunity to assist you in your efforts to provide the best services possible to our customers.

Respectfully submitted,

H. Bernard Franks
Chief Executive Officer



CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Clayton County Water Authority for its annual comprehensive financial report for the fiscal year ended April 30, 2022.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Clayton County Water Authority
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2022

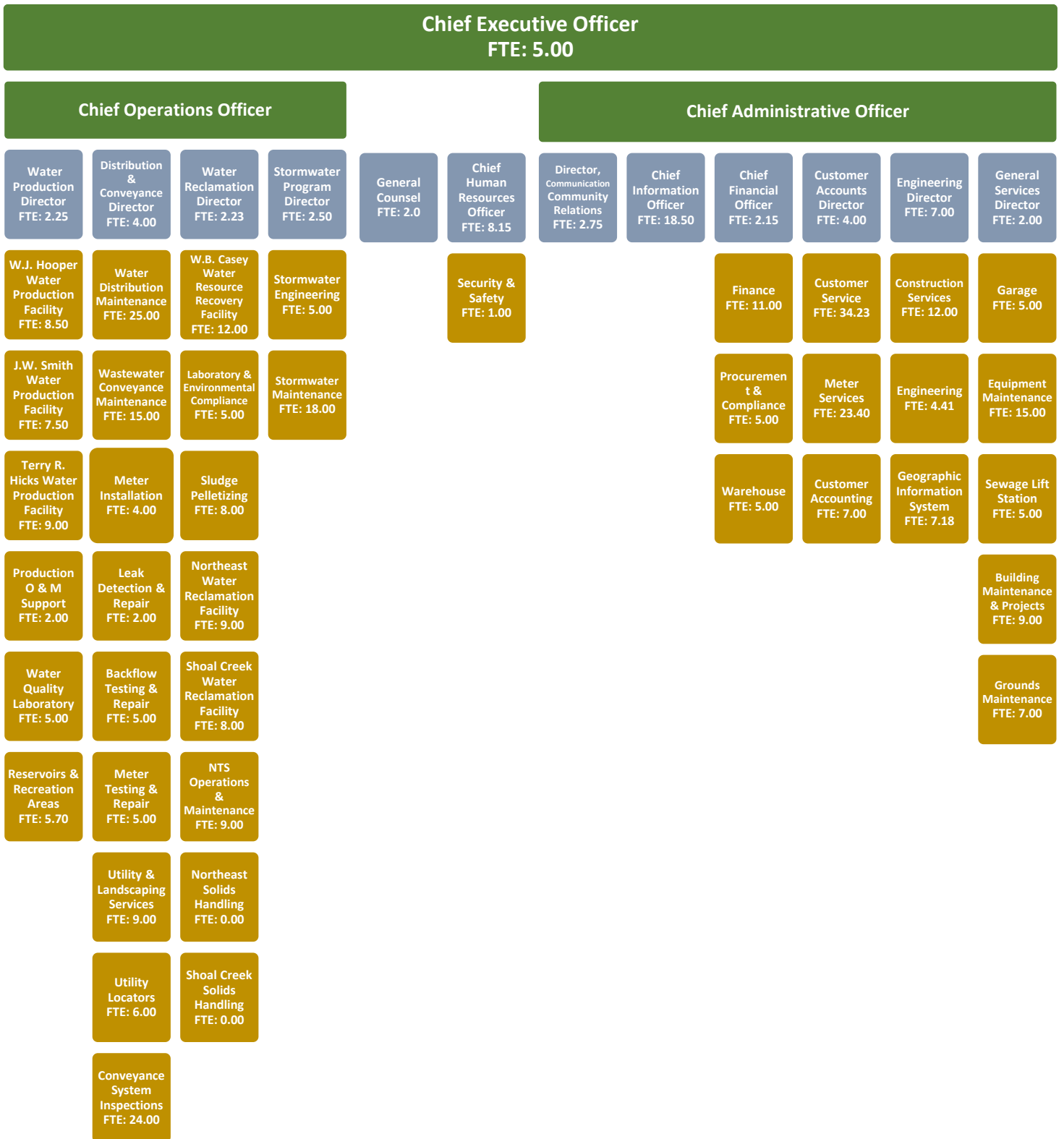
Christopher P. Morill

Executive Director/CEO

Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

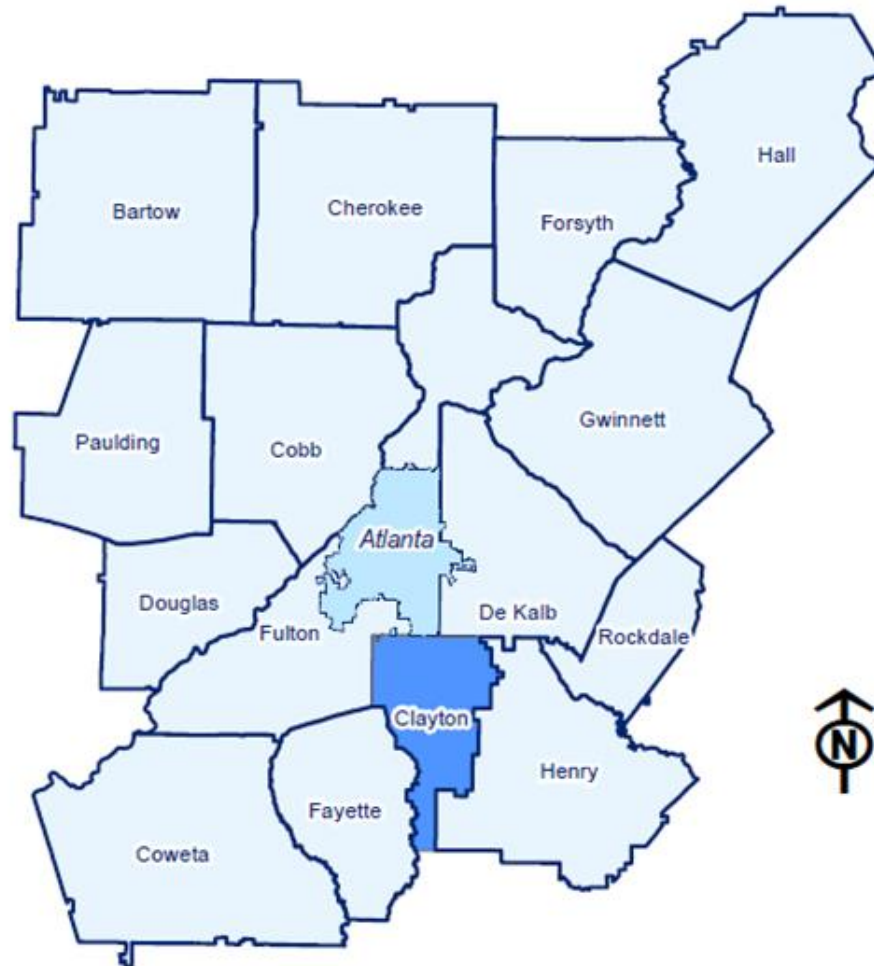


ORGANIZATIONAL CHART



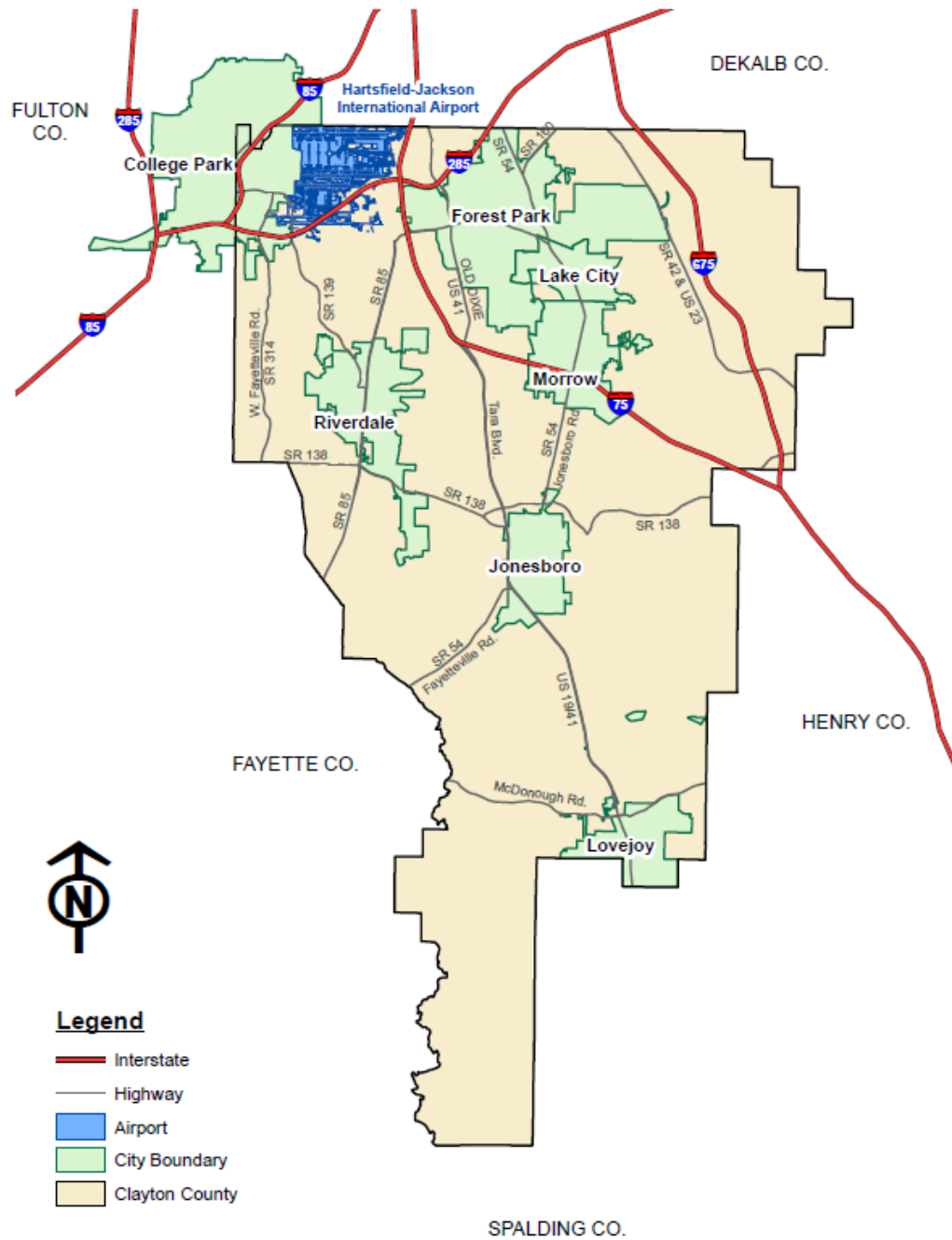


VICINITY MAP OF METRO ATLANTA AREA





MAP OF CLAYTON COUNTY





LISTING OF PRINCIPAL OFFICIALS AND CONSULTANTS

Board Members

Dr. Cephus Jackson, Chair

Marie Barber, Vice Chair

P. Michael Thomas, Secretary-Treasurer

Dr. John Chafin

Rodney Givens

Emma Godbee

Robin Malone

General Manager

H. Bernard Franks

Assistant General Manager - Operations

Keisha Thorpe

Assistant General Manager - Support Services

Teresa Worley

Legal Counsel

Fincher Denmark, LLC

Auditors

Mauldin & Jenkins, Certified Public Accountants, LLC



BOARD OF DIRECTORS

Member



**Emma
Godbee**

Member



**Dr. John
Chafin**

Member



**Rodney
Givens**

Member



**Robin
Malone**

Vice Chair



**Marie
Barber**

Secretary - Treasurer



**Mike
Thomas**

Chair



**Dr.
Cephus
Jackson**



LEADERSHIP TEAM



Suzanne Brown
 Anquilla Henderson
 Allison Halron
 Kendra Staniel
 Derek Doss
 Lamar Hamlin
 Doug Thomas
 Kevin Osbey
 Julius Tolbert
 Coty McDaniel
 Kelly Taylor
 Rodney Perkins

Director of Communications & Community Relations
Chief Human Resources Officer
Chief Financial Officer
Water Reclamation Director
Chief Information Officer
Distribution & Conveyance Director
General Services Director
Stormwater Program Director
General Counsel
Water Production Director
Engineering Director
Customer Accounts Director



FINANCE DEPARTMENT STAFF

Allison Halron
*Chief Financial Officer***Christina Hollywood**
*Budget Manager***Mandy Lindow**
*Sr. Business Analyst***Heather Downing**
*Administrative Assistant***Katrina Banks**
*Controller***Sarah Beth Sheton**
*Accountant I***Lucianna Farmer**
*Senior Accountant***Sam Gilbert**
*Accounting Associate***Blanca Franco**
*Accountant I***Amanda LaPierre**
*Budget Analyst***Carol Cameron**
*AP/Payroll Manager***Ricardo Ray**
*Accountant II***Taniesha Maxwell**
Accountant II



II. FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS





INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Clayton County Water Authority
Clayton County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, each major fund, and the remaining fund information of the Clayton County Water Authority (the "Authority") as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority'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 business-type activities, the discretely presented component unit, each major fund, and the remaining fund information of the Authority, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof 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 *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 Authority 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 Authority'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 37 - 71, the Schedule of Proportionate Share of Net Pension Liability, Schedule of Contributions – Pension, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Contributions – Other Postemployment Benefits, and the Schedule of Other Postemployment Benefits Investment Returns on pages 111 - 115, 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.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental schedules of individual accounts and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules of individual accounts and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 14, 2023

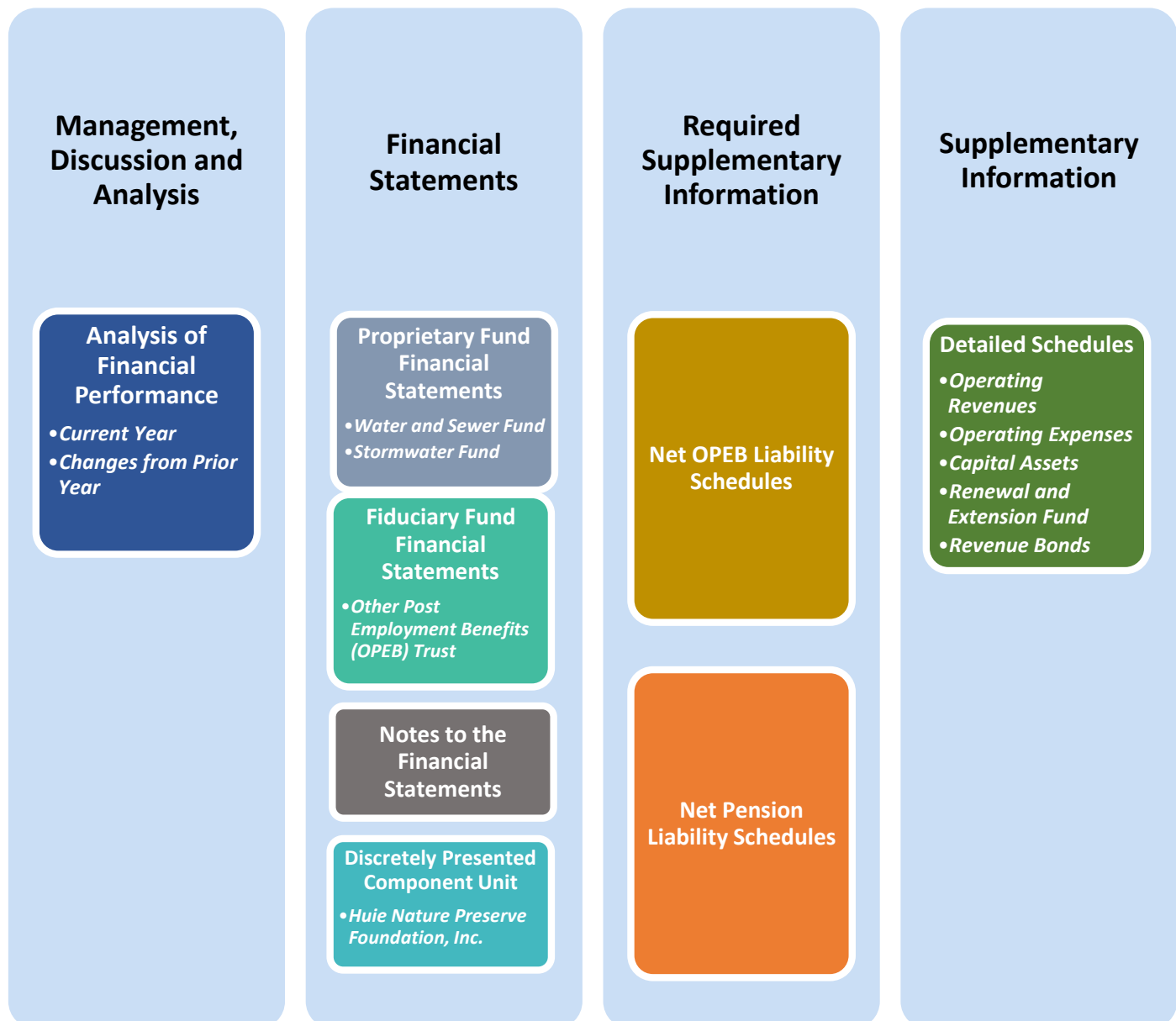


MANAGEMENT DISCUSSION AND ANALYSIS

As management of the Clayton County Water Authority (the Authority or CCWA), we offer readers of the Authority's financial statements, this narrative overview and analysis of the financial activities of the Clayton County Water Authority for the fiscal year ended April 30, 2023. This discussion is intended to: 1) assist the reader in understanding significant financial issues; 2) provide an overview of the Authority's financial activities; 3) identify changes in the Authority's financial position; and 4) identify individual fund issues or concerns. We encourage readers to consider the information presented within this section in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This section of the document is arranged in the following format:





This discussion and analysis serve as an introduction to the Clayton County Water Authority's basic financial statements. The Authority operates as a utility enterprise and presents its financial statements using the economic resources measurement focus and the full accrual basis of accounting. This type of presentation means that financial information is reported using accounting methods similar to those followed by private sector companies. The statements offer both short-term and long-term financial information about the activities of the Clayton County Water Authority. Additional information on the accrual basis of accounting can be found in [Note I: Summary of Significant Accounting Policies](#) of this report.

The basic financial statements provide information about the Authority's business-type activities through its two proprietary or enterprise funds: **Water and Sewer Fund** and **Stormwater Fund**. The Authority has established a not-for-profit entity, Huie Nature Preserve Foundation, Inc. and its financial performance will be presented as a discrete component unit. The Authority has only one other fund, **Other Postemployment Benefits (OPEB) Trust Fund**, which is used to report fiduciary activities. The financial statements are prepared in accordance with U.S. generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB).

In accounting for the financial activity of its business-type activities, the Authority internally maintains two separate proprietary funds, the Water and Sewer Fund and the Stormwater Fund. The user fees and other revenues generated from the provision of each of these two services are dedicated to funding those expenses incurred by the Authority in providing the respective services.

In reporting on the operations of its enterprise funds, the CCWA's basic financial statements include a **Statement of Net Position**, a **Statement of Revenues, Expenses and Changes in Net Position** and a **Statement of Cash Flows**. It provides our users with a contextual frame of reference and comparative information from the financial statements of the previous fiscal year. The financial statements also include **Notes to the Financial Statements** that are considered essential to a full understanding of the data that is being presented on the face of the statements. The primary purpose of the notes is to provide additional discussion, enhanced disclosures, and tabular presentation of data to further explain information in the financial statements. In addition, they provide more detail.

The information contained on the [Statement of Net Position](#) represents all the Authority's assets and liabilities. It also includes deferred outflows and deferred inflows of resources. This statement provides information about the nature and amounts of investments in resources (assets) and obligations to the Authority's creditors (liabilities). It also provides the basis for computing rate of returns, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority.

All the current year's revenues and expenses are accounted for in the [Statement of Revenues, Expenses and Changes in Net Position](#). This statement measures the success of the Authority's operations over the past year and can be used to determine whether CCWA has successfully recovered all its costs through user fees and other charges. It provides the user with basic financial information about the profitability and creditworthiness of the Authority.

The final required financial statement for the Proprietary Funds is the [Statement of Cash Flows](#). The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the fiscal year. The statement reports cash receipts, cash payments and net changes in cash resulting from operating; noncapital financing; capital and related financing and investing activities. The purpose of this statement is to tell the user where the Authority's cash came from, what the cash was used for and by how much the cash balance changed over the course of the fiscal year.



The [Statement of Fiduciary Net Position](#) and the [Statement of Changes in Fiduciary Net Position](#) for the Other Postemployment Benefit (OPEB) Trust follows the Proprietary Funds Financial Statements.

The **Required Supplementary** section contains the two required disclosures for Other Post-Employment Benefits, the [Schedule of Changes in Net OPEB Liability and Related Ratios](#) and the [Schedule of Contributions – Other Post-Employment Benefits](#), and two required disclosures for Pensions, the [Schedule of Proportionate Share of Net Pension Liability](#) and the [Schedule of Contributions – Pension](#).

Additional schedules have been included in the **Supplementary Information** section. These schedules provide detail related to [Operating Revenues](#), [Operating Expenses](#) and [Capital Assets](#). More information on [Revenue Bonds](#) and [Renewal and Extension](#) accounts are also available in this section.

FINANCIAL HIGHLIGHTS

- The *assets* and *deferred outflows* of the Clayton County Water Authority exceeded its *liabilities* and *deferred inflows* at the close of the 2023 fiscal year by \$705,665,166 (*net position*). Of this amount, \$94,964,759 (*unrestricted net position*) may be used to meet the Authority's ongoing obligations to citizens and creditors.
- The Authority's total net position of \$705,665,166 on April 30, 2023, increased by \$31,207,614, or 4.6 percent, compared to the previous year's balance.
- On April 30, 2023, the Authority's total current assets of \$115,235,020 exceeded its total current liabilities of \$43,055,577 by \$72,179,443. The relative value of the difference in those two amounts provides an indication of CCWA's financial strength over the short term.
- The Authority's total outstanding revenue bonds on April 30, 2023, decreased by \$18,705,000 when compared to the prior period. The bond premium decreased an additional \$1,118,403 reducing the *Revenue Bond Payable* liability a total of \$19,823,403 from the prior year.
- Total operating revenues for the fiscal year ended 2023 were \$131,580,597 an increase of \$6,992,496, or 5.6 percent, compared to the previous period.
- Total operating expenses for the fiscal year ended 2023 totaled \$107,124,797, which was \$18,047,910, or 20.3 percent higher than the previous year. The primary factor that influenced this change were increases over the prior year in both net pension and net OPEB expenses of \$11,473,203 and \$478,118, respectively. These expenses are associated with changes in net pension and net OPEB liabilities (GASB 68 and GASB 75). Increases due to the impact of inflation on wages and prices of goods and services were responsible for the additional increases in operating expenses. Depreciation decreased by \$1,084,938.
- Capital contributions from all sources totaled \$6,049,222 for the 2023 fiscal year which was a decrease of \$1,499,679 from the prior year.



FINANCIAL ANALYSIS OF THE AUTHORITY'S BUSINESS-TYPE ACTIVITIES

When analyzing the financial statements of the Clayton County Water Authority's business-type activities, the primary consideration should be whether the Authority is financially better off or worse off because of the year's activities. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position are designed to report information about the Authority's activities that will help the user determine how good or bad a year it was from a financial perspective. These two statements report the net position of the Authority and changes in them.

Reviewing the Authority's net position, the difference between assets, deferred outflows, liabilities, and deferred inflows is one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net position are a general indicator of whether its financial health is improving or deteriorating. In addition to the relative change in net position, the impact on operations of other non-financial factors and external influences should be considered. These would include, but are not limited to, economic conditions, population growth, unusual rainfall patterns, changes in governmental legislation, restrictions on outdoor water use, the issuance of new regulations and the utilization of innovative technologies.





CONDENSED STATEMENTS OF NET POSITION

The Statement of Net Position, shown in condensed format below, represents information on all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and with the difference between the two reported as net position. The Authority's total net position of \$705,665,166 increased from the prior fiscal year by \$31,207,614 or 4.6 percent. This increase was the net effect of the increase in the number of construction projects completed, the increase in loans payable, the reduction of revenue bonds payable and the changes in net pension liability and net OPEB liability along with the deferred outflows and inflows related to those liabilities. The net position was impacted by increases in *Net Investment in Capital Assets* and in *Unrestricted* net position of \$30.9 million and \$19.8 million, respectively, along with a decrease in *Restricted* net position of \$19.6 million.

	2023			2022				
	Water and Sewer	Stormwater	Total	Water and Sewer	Stormwater	Total	\$ Chg.	% Chg.
Current Assets	\$ 103,301,262	\$ 11,933,758	\$ 115,235,020	\$ 88,427,845	\$ 11,135,691	\$ 99,563,536	\$ 15,671,484	15.7%
Capital Assets, <i>net</i>	592,338,207	63,368,027	655,706,234	574,130,227	58,067,100	632,197,327	23,508,907	3.7%
Other Noncurrent Assets	85,555,088	129,892	85,684,980	90,800,516	126,917	90,927,433	(5,242,453)	-5.8%
Total Assets	\$781,194,557	\$75,431,677	\$856,626,234	\$753,358,588	\$69,329,708	\$822,688,296	\$ 33,937,938	4.1%
Deferred Charges - Debt Refunding	\$ -	\$ -	\$ -	\$ 522,527	\$ -	\$ 522,527	\$ (522,527)	-100.0%
Deferred Charges - OPEB Liability	2,437,462	131,250	2,568,712	2,172,875	114,362	2,287,237	281,475	12.3%
Deferred Charges - Pension Liability	38,650,903	2,114,523	40,765,426	12,259,404	725,497	12,984,901	27,780,525	213.9%
Deferred Outflows	\$ 41,088,365	\$ 2,245,773	\$ 43,334,138	\$ 14,954,806	\$ 839,859	\$ 15,794,665	\$ 27,539,473	174.4%
Current Liabilities Payable- <i>Unrestricted Assets</i>	\$ 13,296,182	\$ 392,227	\$ 13,688,409	\$ 9,597,477	\$ 1,488,779	\$ 11,086,256	\$ 2,602,153	23.5%
Current Liabilities Payable- <i>Restricted Assets</i>	29,367,168	-	29,367,168	28,116,781	-	28,116,781	1,250,387	4.4%
Compensated Absences- <i>Noncurrent</i>	981,510	60,876	1,042,386	866,161	59,880	926,041	116,345	12.6%
Loans Payable	38,291,294	4,079,698	42,370,992	30,182,567	1,321,267	31,503,834	10,867,158	34.5%
Revenue Bonds Payable, <i>net</i>	-	-	-	20,683,403	-	20,683,403	(20,683,403)	-100.0%
Net OPEB Liability	11,893,668	619,464	12,513,132	12,475,798	656,621	13,132,419	(619,287)	-4.7%
Net Pension Liability	80,026,520	4,642,929	84,669,449	35,362,403	2,292,186	37,654,589	47,014,860	124.9%
Total Liabilities	\$173,856,342	\$ 9,795,194	\$183,651,536	\$137,284,590	\$ 5,818,733	\$143,103,323	\$ 40,548,213	28.3%
Deferred Charges - OPEB Liability	\$ 6,255,243	\$ 329,974	\$ 6,585,217	\$ 6,188,231	\$ 325,696	\$ 6,513,927	\$ 71,290	1.1%
Deferred Charges - Pension Liability	3,855,530	202,923	4,058,453	13,687,751	720,408	14,408,159	(10,349,706)	-71.8%
Deferred Inflows	\$ 10,110,773	\$ 532,897	\$ 10,643,670	\$ 19,875,982	\$ 1,046,104	\$ 20,922,086	\$ (10,278,416)	-49.1%
Net Position:								
Net Investment in Capital Assets	\$ 528,510,216	\$ 59,288,329	\$ 587,798,545	\$ 500,106,038	\$ 56,745,833	\$ 556,851,871	\$ 30,946,674	5.6%
Restricted	22,771,970	129,892	22,901,862	42,330,550	126,917	42,457,467	(19,555,605)	-46.1%
Unrestricted	87,033,621	7,931,138	94,964,759	68,716,234	6,431,980	75,148,214	19,816,545	26.4%
Total Net Position	\$638,315,807	\$67,349,359	\$705,665,166	\$611,152,822	\$63,304,730	\$674,457,552	\$ 31,207,614	4.6%

ANALYSIS OF NET POSITION

To better understand the Authority's financial position and its ability to deliver services in future periods, the reader will need to review the various components of net position and obtain an understanding of how each relates to the business activities performed. For example, the largest component of the net position is its *Net Investment in Capital Assets* of \$587,798,545, or 83.3 percent, important in providing water, sewer, and stormwater services.

Net Position	2023	2022	\$ Chg	% Chg	% Net Position
Net Investment in Capital Assets	\$ 587,798,545	\$ 556,851,871	\$ 30,946,674	5.6%	83.3%
Restricted	22,901,862	42,457,467	(19,555,605)	-46.1%	3.2%
Unrestricted	94,964,759	75,148,214	19,816,545	26.4%	13.5%
Total Net Position	\$ 705,665,166	\$ 674,457,552	\$ 31,207,614	4.6%	100.0%



For the 2023 fiscal year, *Net Investment in Capital Assets* increased by \$30,946,674, or 5.6 percent, compared to the previous year. The amount shown in this category is calculated by taking the depreciated value of our capital assets and subtracting the retainage payable held during construction and the associated bond and GEFA loan debt. As part of this calculation, the Authority recognized approximately \$23.2 million in depreciation expense in the 2023 fiscal year. The overall increase in this component of net position is due to the completion of multiple construction projects and a reduction of outstanding bond principal that exceeded the increase in loan principal.

Restricted Net Position decreased \$19,555,605 or negative 46.1 percent over the previous fiscal year. This decrease was due to the release of the debt service reserve to pay for the final year of bond debt service rather than maintaining the debt service reserve balance and transferring the annual debt service funds into the sinking fund from the operating budget.

Compared to the prior year's balance, the *Unrestricted Net Position* category increased \$19,816,545 or 26.4 percent. The change in this component of net position was primarily due to less cash being transferred to the bond sinking fund for annual debt service and using the funding from the debt service reserve account.

Unrestricted Net Position consists of assets that do not meet the definition of "restricted" or "net investment in capital assets". However, certain amounts of the unrestricted net position have been designated for purposes authorized by the Board. As the funding mechanism for the Authority's pay-as-you-go capital plan, monies have already been earmarked for various construction projects.

A comparison of the April 30, 2023 and 2022 *Net Position* balances, by fund, are shown in the tables below.

WATER AND SEWER FUND

Net Position	2023	2022	\$ Chg	% Chg	% Net Position
Net Investment in Capital Assets	\$ 528,510,216	\$ 500,106,038	\$ 28,404,178	5.7%	82.8%
Restricted	22,771,970	42,330,550	(19,558,580)	-46.2%	3.6%
Unrestricted	87,033,621	68,716,234	18,317,387	26.7%	13.6%
Total Net Position	\$ 638,315,807	\$ 611,152,822	\$ 27,162,985	4.4%	100.0%

For the 2023 fiscal year, *Net Investment in Capital Assets* in the Water and Sewer Fund increased by \$28,404,178, or 5.7 percent, compared to the previous year. The amount shown in this category is calculated by taking the depreciated value of capital assets and subtracting the retainage payable held during construction, the associated bond and GEFA loan debt. As part of this calculation, the Water and Sewer Fund recognized \$21.6 million in depreciation expense in the 2023 fiscal year. The overall increase in this component of net position is due to the completion of multiple construction projects, the increase in construction in progress which was offset by and a reduction of outstanding bond principal that exceeded the increase in loans principal.

Restricted Net Position decreased during the fiscal year by \$19,558,580 or negative 46.2 percent due to the release of the debt service reserve to pay for the final year of bond debt service rather than maintaining the debt service reserve balance and transferring the annual debt service funds into the sinking fund from the operating budget.

Compared to the prior year's balance, the Water and Sewer Fund's *Unrestricted Net Position* increased by \$18,317,387 or 26.7 percent. The change in this component of Net Position was primarily due to less cash being transferred to the bond sinking fund for annual debt service.



STORMWATER FUND

Net Position	2023	2022	\$ Chg	% Chg	% Net Position
Net Investment in Capital Assets	\$ 59,288,329	\$ 56,745,833	\$ 2,542,496	4.5%	88.0%
Restricted	129,892	126,917	2,975	2.3%	0.2%
Unrestricted	7,931,138	6,431,980	1,499,158	23.3%	11.8%
Total Net Position	\$ 67,349,359	\$ 63,304,730	\$ 4,044,629	6.4%	100.0%

For the 2023 fiscal year, *Net Investment in Capital Assets* in the Stormwater Fund increased by \$2,542,496, or 4.5 percent, compared to the previous year. The amount shown in this category is calculated by taking the depreciated value of our capital assets including the recognition of \$1.6 million in depreciation expense in the 2023 fiscal year. Depreciation was reduced by 58.4 percent as two large groupings of contributed stormwater infrastructure the Authority assumed in 2007 – 2008 was fully depreciated in April 2022.

Restricted Net Position increased from the prior fiscal year \$2,975 or 2.3 percent due to interest earned in an escrow account.

Compared to the prior year's balance, the Stormwater Fund showed an increase in the *Unrestricted Net Position* category of \$1,499,158 or 23.3 percent. The sale of mitigation credits, intangible assets, for \$909 thousand during fiscal year 2023 was an increase of \$364 thousand over \$545 thousand received for the sale of credits in the prior year. Additionally, operating income was \$1,215,048 higher in fiscal year 2023 which increased unrestricted cash.

ANALYSIS OF CURRENT ASSETS

Current Assets are defined as balance sheet items that could be converted to cash in less than one year. Current assets are a key component to consider in a financial analysis because it is from current assets that a business funds its ongoing, day-to-day operation.

Current Asset Classification	2023	2022	\$ Chg	% Chg	% Current Assets
Unrestricted:					
Cash and Cash Equivalents	\$ 60,262,760	\$ 49,340,501	\$ 10,922,259	22.1%	52.3%
Accounts Receivable, <i>net</i>	16,114,277	16,386,704	(272,427)	-1.7%	14.0%
Other Receivables	3,601,105	558,705	3,042,400	544.5%	3.1%
Inventories	3,003,344	2,276,084	727,260	32.0%	2.6%
Prepaid Expenses and Deposits	127,812	126,207	1,605	1.3%	0.1%
Total Unrestricted	\$ 83,109,298	\$ 68,688,201	\$ 14,421,097	21.0%	72.1%
Restricted:					
Cash and Cash Equivalents	32,125,722	30,875,335	1,250,387	4.0%	27.9%
Total Current Assets	\$115,235,020	\$ 99,563,536	\$ 15,671,484	15.7%	100.0%

Total *Current Assets* of the Authority increased by \$15,671,484 or 15.7 percent compared to the previous period driven by the increase in unrestricted cash accounts of \$10,922,259. Other Receivables increased \$3,042,400 due to the change in requested construction reimbursements from GEFA construction loans between the fiscal years. Inventories increased \$727,260 due to the increase in costs of materials and due to higher inventory reorder points to offset the longer wait times caused by supply chain delays. Accounts receivable decreased by \$272,427 as billed usage was down in April due to milder temperatures.



Unrestricted cash and cash equivalents of \$60,262,760 increased by \$10,922,259 or 22.1 percent during 2023. This increase primarily resulted from using cash from the debt service reserve of \$21.2 million to make the final year of debt service payments rather than transferring funds from Water and Sewer Fund operating account to the restricted bond sinking fund for annual debt service. This increase in unrestricted cash was offset by the transfer of \$10.2 million into Renewal and Extension fund capital projects. The Stormwater Fund added an additional \$1,297,856 in unrestricted cash due to proceeds of \$909 thousand from the sale of mitigation credits, intangible assets, along with an increase in operating income in 2023 over 2022.

Restricted cash and equivalents in the current asset section of \$32,125,722, increased \$1,250,387 or 4.0 percent from the prior year. Current restricted cash consists of the following Water and Sewer Fund current liabilities payable from restricted assets: bond debt service payments due on May 1 of the following fiscal year, Accounts Payable (retainage held for certain construction contracts), additional internal funds held for construction projects funded by GEFA loans, and Customer Deposits. The change in revenue bond interest and principal payable in 2023 accounted for a combined increase of \$429 thousand while retainage payable increased \$963 thousand. A drop in customer deposits of \$132 thousand accounted for the remaining change between years.

A comparison of the April 30, 2023 and 2022 balances, by fund and asset classification, are shown in the tables below.

WATER AND SEWER FUND

Current Asset Classification	2023	2022	\$ Chg	% Chg	% Current Assets
Unrestricted:					
Cash and Cash Equivalents	\$ 48,996,354	\$ 39,371,951	\$ 9,624,403	24.4%	47.4%
Accounts Receivable, <i>net</i>	15,446,925	15,774,426	(327,501)	-2.1%	15.0%
Other Receivables	3,601,105	3,842	3,597,263	93630.0%	3.5%
Inventories	3,003,344	2,276,084	727,260	32.0%	2.9%
Prepaid Expenses and Deposits	127,812	126,207	1,605	1.3%	0.1%
Total Unrestricted	\$ 71,175,540	\$ 57,552,510	\$ 13,623,030	23.7%	68.9%
Restricted:					
Cash and Cash Equivalents	32,125,722	30,875,335	1,250,387	4.0%	31.1%
Total Current Assets	\$103,301,262	\$ 88,427,845	\$ 14,873,417	16.8%	100.0%

STORMWATER FUND

Current Asset Classification	2023	2022	\$ Chg	% Chg	% Current Assets
Unrestricted:					
Cash and Cash Equivalents	\$ 11,266,406	\$ 9,968,550	\$ 1,297,856	13.0%	94.4%
Accounts Receivable, <i>net</i>	667,352	612,278	55,074	9.0%	5.6%
Other Receivables	-	554,863	(554,863)	-100.0%	0.0%
Inventories	-	-	-	0.0%	0.0%
Prepaid Expenses and Deposits	-	-	-	0.0%	0.0%
Total Unrestricted	\$ 11,933,758	\$ 11,135,691	\$ 798,067	7.2%	100.0%
Restricted:					
Cash and Cash Equivalents	-	-	-	0.0%	0.0%
Total Current Assets	\$ 11,933,758	\$ 11,135,691	\$ 798,067	7.2%	100.0%



ANALYSIS OF NONCURRENT ASSETS

Noncurrent assets represent assets that are not expected to be realized in cash, sold, or consumed during the next fiscal year. When making the distinction between whether an asset should be considered current or noncurrent, liquidity or nearness to cash are not the only considerations for determining the classification; restrictions on the use of the asset must also be considered. Cash investments intended for liquidation of liabilities due beyond the one-year period are noncurrent assets, as are assets segregated or restricted for the liquidation of long-term debts including those amounts due within the next operating cycle. Assets designated to be used to acquire, construct, or improve capital assets would also be noncurrent.

In the following table, the *Noncurrent Assets* of the Authority on April 30, 2023 and 2022 are compared by major classification. Total noncurrent assets increased by \$18,266,454 or 2.5 percent during the 2023 fiscal year. This growth was fueled by the increase in capital projects between years.

Noncurrent Assets	2023	2022	\$ Chg	% Chg	% Noncurrent Assets
Unrestricted Cash Assets	\$ 43,924	\$ 23,205	\$ 20,719	89.3%	0.0%
Restricted Assets	85,641,056	90,904,228	(5,263,172)	-5.8%	11.6%
Capital Assets (Net)	655,706,234	632,197,327	23,508,907	3.7%	88.4%
Total Noncurrent Assets	\$ 741,391,214	\$ 723,124,760	\$ 18,266,454	2.5%	100.0%

Restricted Assets consist of cash in the Water and Sewer Fund's Renewal and Extension account and its Debt Service Reserve of approximately \$85 million and \$718 thousand, respectively, along with the Stormwater Fund's escrow account of \$130 thousand. This classification decreased by \$5.3 million primarily due to the utilization of the debt service reserve to fund the final year of debt service payments to bond holders of \$20.0 million offset by an increase in funding transferred to the renewal and extension account to self-fund capital projects of \$14.7 million.

At the end of the 2023 fiscal year, the Authority had *Net Capital Assets* of \$655,706,234. This category of assets represents 88.4 percent of total noncurrent assets and grew by \$23,508,907 or 3.7 percent over the prior year. This increase is due to the completion of large capital projects focused on the renewal and replacement of pipe infrastructure and improvements to both water production and reclamation facilities along with additional funding increases in construction in progress. Investment in large capital projects typically follows a cyclical pattern and the Authority's Strategic Master Plan lists major construction projects to rehabilitate both its treatment facilities and pipe infrastructure in upcoming years.

During the 2023 fiscal year, \$30.7 million in new assets were added and Construction in Progress increased \$40.1 million. Capital equipment and other capital purchases accounted for approximately \$3.7 million of the increase in net capital assets. Completed capital projects accounted for \$27.0 million of the new assets added which included \$3.2 million from donated infrastructure.

Four residential subdivisions accounted for \$1.9 million of the donated infrastructure which included stormwater, water, and sewer pipelines. Various commercial and industrial developments contributed \$1.0 million in meter, sewer, and line extensions and a high school which added another \$264 thousand in donated assets. Miscellaneous development added the remaining contributed assets.



As offsetting entries to those additions, depreciation expense for the year totaled \$23.2 million and capital assets having a net book value of approximately \$289 thousand were disposed.

A comparison of the April 30, 2023 and 2022 *Noncurrent Assets* balances, by fund, are shown in the tables below. Additional information related to Capital Assets can be found in [Note 6: Capital Assets](#) in the notes to the financial statements and in the [Schedules of Capital Assets](#) in the [Supplementary Information](#) section of this document.

WATER AND SEWER FUND

Noncurrent Assets	2023	2022	\$ Chg	% Chg	% Noncurrent Assets
Unrestricted Cash Assets	\$ 43,924	\$ 23,205	\$ 20,719	89.3%	0.0%
Restricted Assets	85,511,164	90,777,311	(5,266,147)	-5.8%	12.6%
Capital Assets (Net)	592,338,207	574,130,227	18,207,980	3.2%	87.4%
Total Noncurrent Assets	\$ 677,893,295	\$ 664,930,743	\$ 12,962,552	1.9%	100.0%

Noncurrent Assets in the Water and Sewer Fund increased \$12,962,552 or 1.9 percent during fiscal year 2023. *Net Capital Assets* of \$592,338,207 increased by \$18,207,980 or 3.2 percent. This increase is due to the completion of large capital projects that replaced pipe infrastructure and improvements made to water production and reclamation facilities. During the 2023 fiscal year, \$25.9 million in new assets were added and Construction in Progress increased \$33.6 million between 2022 and 2023. Completed capital projects accounted for \$22.1 million of the new assets added which included \$2.5 million from donated infrastructure. As offsetting entries to those additions, depreciation expense for the year totaled \$21.6 million and capital assets having a net book value of approximately \$82 thousand were disposed.

Restricted Assets consist of cash in the Renewal and Extension account of approximately \$85 million and in the debt service reserve of \$718 thousand. This classification decreased by \$5.3 million. The debt service reserve decreased by \$20.0 million as the Authority used funds in this account to make the final year of bond debt service payments. This decrease was offset by a \$14.7 million increase in the amount transferred into the renewal and extension account to self-fund capital in fiscal year 2023.

STORMWATER FUND

Noncurrent Assets	2023	2022	\$ Chg	% Chg	% Noncurrent Assets
Unrestricted Cash Assets	\$ -	\$ -	\$ -	0.0%	0.0%
Restricted Assets	129,892	126,917	2,975	2.3%	0.2%
Capital Assets (Net)	63,368,027	58,067,100	5,300,927	9.1%	99.8%
Total Noncurrent Assets	\$ 63,497,919	\$ 58,194,017	\$ 5,303,902	9.1%	100.0%

Noncurrent Assets in the Stormwater Fund increased \$5,303,902 or 9.1 percent during fiscal year 2023. Cash in an escrow account related to a watershed project completed in 2015 is the only item in *Restricted Assets*. The increase in this account category of \$2,975 was interest earned on the account during the year.

Net Capital Assets of \$63,368,027 increased by \$5,300,927 or 9.1 percent. This increase is due to the completion of large capital projects that replaced stormwater infrastructure. During the 2023 fiscal year, \$4.9 million in new assets were added and \$6.5 million was added to Construction in Progress. Completed capital projects accounted for \$4.8



million of the new assets added which included \$607 thousand from donated infrastructure. As offsetting entries to those additions, depreciation expense for the year totaled \$1.6 million and capital assets having a net book value of approximately \$207 thousand were disposed.

ANALYSIS OF DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows of Resources are a separate element on the Statement of Net Position. Items in this category represent the consumption of net position by the Authority that is applicable to a future reporting period and will not be recognized as an outflow of resources until then. *Deferred Outflows of Resources* increase net position, similar to assets. The Authority has three items that qualify for reporting in this section. The first item is the deferred charges on debt refunding which resulted from the difference between the carrying value of the refunded bonds and their reacquisition price. These charges are deferred and amortized over the life of the refunded or refunding debt, whichever is shorter. The second two items are the deferred outflows of resources relating to OPEB and the deferred outflows of resources relating to pension.

Deferred Outflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to Debt Refunding	\$ -	\$ 522,527	\$ (522,527)	-100.0%
Deferred Charges Related to OPEB Liability	2,568,712	2,287,237	281,475	12.3%
Deferred Charges Related to Pension Liability	40,765,426	12,984,901	27,780,525	213.9%
Total Deferred Outflows of Resources	\$ 43,334,138	\$ 15,794,665	\$ 27,539,473	174.4%

Deferred Outflows of Resources increased by \$27,539,473 or 174.4 percent between April 30, 2023 and 2022 due to a increase of \$27,780,525 in the combined changes in experience differences, assumption changes, investment earnings, and changes in proportion and contributions related to net pension liability between years. An increase in the combined changes in related experience differences, assumption changes, and investment earnings related to net OPEB liability added another \$281,475 to the overall increase between years. *Deferred Charges Related to Debt Refunding* related to the amortization of bond premiums between years decreased \$522,527 between years. More information can be found in [Note 11: Other Post-Employment Benefits](#) and [Note 12: Public Employee Retirement System \(PERS\)](#) in the notes to the financial statements.

A comparison of the April 30, 2023 and 2022 *Deferred Outflows of Resources* balances, by fund, are shown in the tables below.

WATER AND SEWER FUND

Deferred Outflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to Debt Refunding	\$ -	\$ 522,527	\$ (522,527)	-100.0%
Deferred Charges Related to OPEB Liability	2,437,462	2,172,875	264,587	12.2%
Deferred Charges Related to Pension Liability	38,650,903	12,259,404	26,391,499	215.3%
Total Deferred Outflows of Resources	\$ 41,088,365	\$ 14,954,806	\$ 26,133,559	174.8%



STORMWATER FUND

Deferred Outflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to Debt Refunding	\$ -	\$ -	\$ -	0.0%
Deferred Charges Related to OPEB Liability	131,250	114,362	16,888	14.8%
Deferred Charges Related to Pension Liability	2,114,523	725,497	1,389,026	191.5%
Total Deferred Outflows of Resources	\$ 2,245,773	\$ 839,859	\$ 1,405,914	167.4%

The Stormwater Fund has no Deferred Charges Related to Debt Refunding. Changes in deferred outflows of resources relating to OPEB and the deferred outflows of resources relating to pension are listed in the table above.

ANALYSIS OF CURRENT LIABILITIES

In financial accounting, the term "liability" is defined as an obligation of an entity arising from past transactions or events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future. This section analyzes the various claims that creditors and vendors have against the Authority's assets due within the next twelve months.

Current Liabilities Payable from Unrestricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ 8,305,259	\$ 5,310,491	\$ 2,994,768	56.4%
Accrued Payroll and Withholdings	699,315	638,502	60,813	9.5%
Accrued Pension Contribution	341,193	525,286	(184,093)	-35.0%
Compensated Absences	1,086,566	1,061,478	25,088	2.4%
Loans Payable - Due Within One Year	2,359,798	2,327,336	32,462	1.4%
Accrued Loan Interest	23,395	22,587	808	3.6%
Unearned Revenue	872,883	1,200,576	(327,693)	-27.3%
Total Current Liabilities Payable From Unrestricted Assets	\$ 13,688,409	\$ 11,086,256	\$ 2,602,153	23.5%

Current Liabilities Payable from Restricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ 3,611,899	\$ 2,648,410	\$ 963,489	36.4%
Accrued Revenue Bond Interest	489,125	920,250	(431,125)	-46.8%
Customer Deposits	5,701,144	5,843,121	(141,977)	-2.4%
Revenue Bonds Payable - Due Within One Year	19,565,000	18,705,000	860,000	4.6%
Total Current Liabilities Payable From Restricted Assets	\$ 29,367,168	\$ 28,116,781	\$ 1,250,387	4.4%

As indicated in the table, *Current Liabilities Payable from Unrestricted Assets* had a net increase of \$2,602,153 from the previous fiscal year's balances. *Accounts Payable* increased \$2,994,768 due to the timing differences of payments to vendors between years with higher amounts accrued in the current year than in the prior year. *Loans Payable – Due Within One Year* increased \$32,462 as more principal was paid in 2023 than in 2022. *Unearned Revenue* decreased by \$327,693 between years. This liability predominately consists of over payments made by customers on utility bills and of lift stations donated by residential developers. Each lift station is valued at \$50,000 or less, depending on size, and the Authority recognizes revenue per year for each of ten years once operations begin. Revenue for seven lift stations of \$32 thousand was recognized for the year, reducing this liability account. A process was put into place in 2023 to refund customers who had credit balances on their accounts over a certain dollar amount. These refunds reduced unearned revenue by \$296 thousand between fiscal years. The Stormwater Fund has no *Unearned Revenue*.



On April 30, 2023, *Accrued Payroll and Withholdings* was \$699,315, an increase of \$60,813 from 2022. Because the number of payroll days were the same at the end of each fiscal year, the increase in 2023 was due to the difference in salaries between years. *Accrued Pension Contribution* of \$341,193 was \$184,093 lower in 2023. CCWA has a payroll every 10 days which means that there are three payrolls in two months of each fiscal year. April 2022 was one of the months that had three payrolls compared to this year when the three-payroll month fell in March 2023. Because the pension disbursements are made on a quarterly basis, the three payrolls in April were still in the account at the end of fiscal year 2022. Pension for each payroll was approximately \$180 thousand, increasing the amount of accrued pension in 2022 by the extra payroll.

Current Liabilities Payable from Restricted Assets of \$29,367,168 was \$1,250,387 or 4.4 percent higher than the prior year. The current liabilities in this section of the Statement of Net Position will be paid from current assets that have been set aside for each of the items listed. *Revenue Bonds Payable* increased \$860,000 due to the variations of bond principal payments from year to year. *Accounts Payable* from restricted assets are retainage payable funds. This account increased by \$963,489 due to changes in retainage for construction projects between years. *Customer Deposits* decreased by \$141,977 as fewer customers were required to provide deposits and more accounts met the previous requirements to have deposits refunded. Rounding out the difference in this section was a decrease in *Accrued Revenue Bond Interest* of \$431,125 due to changes in annual debt service requirements from year to year. The Stormwater Fund carries no *Current Liabilities Payable from Restricted Assets*.

The tables below show a comparison of the April 30, 2023 and 2022 *Current Liabilities Payable* balances by fund and whether payable from unrestricted or restricted assets.

WATER AND SEWER FUND

Current Liabilities Payable from Unrestricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ 8,040,517	\$ 3,953,125	\$ 4,087,392	103.4%
Accrued Payroll and Withholdings	661,374	600,337	61,037	10.2%
Accrued Pension Contribution	322,320	493,792	(171,472)	-34.7%
Compensated Absences	1,016,331	999,784	16,547	1.7%
Loans Payable - Due Within One Year	2,359,798	2,327,336	32,462	1.4%
Accrued Loan Interest	22,959	22,527	432	1.9%
Unearned Revenue	872,883	1,200,576	(327,693)	-27.3%
Total Current Liabilities Payable From Unrestricted Assets	\$ 13,296,182	\$ 9,597,477	\$ 3,698,705	38.5%
Current Liabilities Payable from Restricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ 3,611,899	\$ 2,648,410	\$ 963,489	36.4%
Accrued Revenue Bond Interest	489,125	920,250	(431,125)	-46.8%
Customer Deposits	5,701,144	5,843,121	(141,977)	-2.4%
Revenue Bonds Payable - Due Within One Year	19,565,000	18,705,000	860,000	4.6%
Total Current Liabilities Payable From Restricted Assets	\$ 29,367,168	\$ 28,116,781	\$ 1,250,387	4.4%



STORMWATER FUND

Current Liabilities Payable from Unrestricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ 264,742	\$ 1,357,366	\$ (1,092,624)	-80.5%
Accrued Payroll and Withholdings	37,941	38,165	(224)	-0.6%
Accrued Pension Contribution	18,873	31,494	(12,621)	-40.1%
Compensated Absences	70,235	61,694	8,541	13.8%
Loans Payable - Due Within One Year	-	-	-	0.0%
Accrued Loan Interest	436	60	376	626.7%
Unearned Revenue	-	-	-	0.0%
Total Current Liabilities Payable From Unrestricted Assets	\$ 392,227	\$ 1,488,779	\$ (1,096,552)	-73.7%
Current Liabilities Payable from Restricted Assets	2023	2022	\$ Chg	% Chg
Accounts Payable	\$ -	\$ -	\$ -	0.0%
Accrued Revenue Bond Interest	-	-	-	0.0%
Customer Deposits	-	-	-	0.0%
Revenue Bonds Payable - Due Within One Year	-	-	-	0.0%
Total Current Liabilities Payable From Restricted Assets	\$ -	\$ -	\$ -	0.0%

ANALYSIS OF NONCURRENT LIABILITIES

Noncurrent Liabilities of \$140,595,959 increased by \$36,695,673 or 35.3 percent from the previous fiscal year. Accounts listed in this category of the Statement of Net Position are obligations due in more than the next twelve months. *Loans Payable* contain principal outstanding from six Georgia Environmental Finance Authority (GEFA) loans that is not due within the next twelve-month period. The increase in this item of \$10,867,158 is the net impact of the reduction of principal paid of the Authority's loans in repayment of \$2,327,337 coupled with \$13,226,957 in disbursements requested from the GEFA construction loans during the fiscal year. The net increase of \$32,462 was captured in Loans Payable -Due within one year in the *Current Liabilities from Unrestricted Assets* section. Interest only payments will be made on the outstanding principal balance of the construction loans until the projects funded by those proceeds are completed, and the loans goes into repayment.

Other changes in this category were the reduction in *Revenue Bonds Payable* of \$20,683,403 with the repayment of bond principal and amortized issuance premium, the increase in *Net Pension Liability* of \$47,014,860 and the decrease in *Net OPEB liability* of \$619,287. More information can be found in [Note 7: Long-Term Obligations](#), [Note 11: Other Post-Employment Benefits](#), and [Note 12: Public Employee Retirement System \(PERS\)](#) in the notes to the financial statements.

Noncurrent Liabilities	2023	2022	\$ Chg	% Chg
Compensated Absences	\$ 1,042,386	\$ 926,041	\$ 116,345	12.6%
Loans Payable	42,370,992	31,503,834	10,867,158	34.5%
Revenue Bonds Payable (<i>Net of Bond Premium</i>)	-	20,683,403	(20,683,403)	-100.0%
Net OPEB Liability	12,513,132	13,132,419	(619,287)	-4.7%
Net Pension Liability	84,669,449	37,654,589	47,014,860	124.9%
Total Noncurrent Liabilities	\$ 140,595,959	\$ 103,900,286	\$ 36,695,673	35.3%



The tables below show a comparison of *Noncurrent Liabilities* balances by Fund on April 30, 2023 and 2022.

WATER AND SEWER FUND

Noncurrent Liabilities	2023	2022	\$ Chg	% Chg
Compensated Absences	\$ 981,510	\$ 866,161	\$ 115,349	13.3%
Loans Payable	38,291,294	30,182,567	8,108,727	26.9%
Revenue Bonds Payable (<i>Net of Bond Premium</i>)	-	20,683,403	(20,683,403)	-100.0%
Net OPEB Liability	11,893,668	12,475,798	(582,130)	-4.7%
Net Pension Liability	80,026,520	35,362,403	44,664,117	126.3%
Total Noncurrent Liabilities	\$ 131,192,992	\$ 99,570,332	\$ 31,622,660	31.8%

STORMWATER FUND

Noncurrent Liabilities	2023	2022	\$ Chg	% Chg
Compensated Absences	\$ 60,876	\$ 59,880	\$ 996	1.7%
Loans Payable	4,079,698	1,321,267	2,758,431	208.8%
Revenue Bonds Payable (<i>Net of Bond Premium</i>)	-	-	-	0.0%
OPEB Obligation (<i>Asset</i>)	-	-	-	0.0%
Net OPEB Liability	619,464	656,621	(37,157)	-5.7%
Net Pension Liability	4,642,929	2,292,186	2,350,743	102.6%
Total Noncurrent Liabilities	\$ 9,402,967	\$ 4,329,954	\$ 5,073,013	117.2%

ANALYSIS OF DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources is a separate financial statement element on the Statement of Net Position. These items represent 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. *Deferred inflows of Resources* decrease net position, similar to liabilities. The Authority has two items that qualify for reporting in this category in the statement of net position, the deferred inflows of resources relating to pension and the deferred inflows of resources relating to OPEB.

Deferred Inflows of Resources of \$10,643,670 decreased by \$10,278,416 or negative 49.1 percent between April 30, 2023 and 2022. *Deferred Charges Related to Pension Liability* decreased \$10.3 million due to changes between years in differences between projected and actual investment earnings, actuarial assumptions, and proportion related to net pension liability. *Deferred Charges Related to OPEB Liability* increased \$71 thousand due to differences between projected and actual earnings and changes in actuarial assumptions between years. More information can be found in [Note 11: Other Post-Employment Benefits](#) and [Note 12: Public Employee Retirement System \(PERS\)](#) in the notes to the financial statements.

Deferred Inflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to OPEB Liability	\$ 6,585,217	\$ 6,513,927	\$ 71,290	1.1%
Deferred Charges Related to Pension Liability	4,058,453	14,408,159	(10,349,706)	-71.8%
Total Deferred Inflows of Resources	\$ 10,643,670	\$ 20,922,086	\$ (10,278,416)	-49.1%



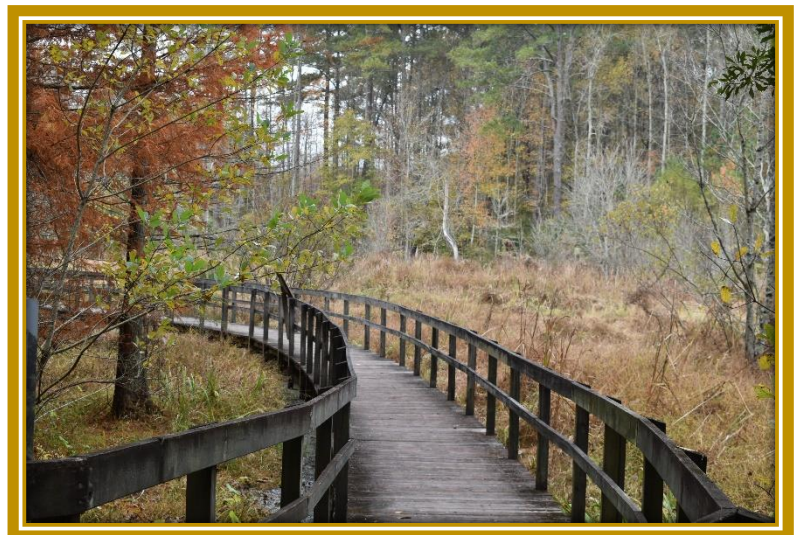
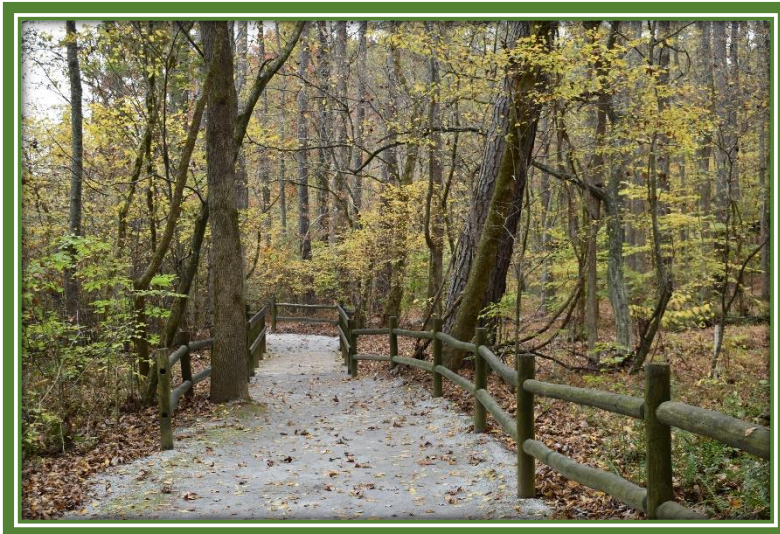
The tables below show a comparison of *Deferred Inflows of Resources* balances by Fund on April 30, 2023 and 2022.

WATER AND SEWER FUND

Deferred Inflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to OPEB Liability	\$ 6,255,243	\$ 6,188,231	\$ 67,012	1.1%
Deferred Charges Related to Pension Liability	3,855,530	13,687,751	(9,832,221)	-71.8%
Total Deferred Inflows of Resources	\$ 10,110,773	\$ 19,875,982	\$ (9,765,209)	-49.1%

STORMWATER FUND

Deferred Inflows of Resources	2023	2022	\$ Chg	% Chg
Deferred Charges Related to OPEB Liability	\$ 329,974	\$ 325,696	\$ 4,278	1.3%
Deferred Charges Related to Pension Liability	202,923	720,408	(517,485)	-71.8%
Total Deferred Inflows of Resources	\$ 532,897	\$ 1,046,104	\$ (513,207)	-49.1%





CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Change in Net Position of \$31,207,614 decreased by \$9,079,910 or 22.5 percent in 2023. This decrease between fiscal years is due to operating expense growth outpacing the growth of operating revenues. The primary drivers of the overall change in Net Position between years has been an increase in operating revenue from implemented rate adjustments in both Water Sales and Sewer Service during the previous three years offset by a large increase in Net Pension Expense along with general increases in all operating expense categories due to the inflationary environment.

Changes in Net Position	2023	2022	\$ Chg	% Chg
Operating Revenues:				
Charges for Sales and Services:				
Sale of Water	\$ 61,730,563	\$ 58,152,389	\$ 3,578,174	6.2%
Sewer Service	53,384,520	49,483,179	3,901,341	7.9%
Stormwater Fees	10,784,574	10,666,821	117,753	1.1%
Tapping Fees	555,362	679,612	(124,250)	-18.3%
Penalties and Reconnect Charges	4,350,951	4,118,114	232,837	5.7%
Sale of Pellets, Timber and Materials	57,247	48,390	8,857	18.3%
Other Operating Revenues	717,380	1,439,596	(722,216)	-50.2%
Total Operating Revenues	\$ 131,580,597	\$ 124,588,101	\$ 6,992,496	5.6%
Operating Expenses:				
Water	\$ 16,104,505	\$ 14,449,897	\$ 1,654,608	11.5%
Sewer	20,746,052	19,117,317	1,628,735	8.5%
Stormwater	2,826,285	2,565,170	261,115	10.2%
Indirect	16,674,685	15,036,190	1,638,495	10.9%
Administrative	27,564,523	13,614,628	13,949,895	102.5%
Depreciation	23,208,747	24,293,685	(1,084,938)	-4.5%
Total Operating Expenses	\$ 107,124,797	\$ 89,076,887	\$ 18,047,910	20.3%
Operating Income	\$ 24,455,800	\$ 35,511,214	\$ (11,055,414)	-31.1%
Nonoperating Revenues (Expenses):				
Interest Income	\$ 581,696	\$ 52,068	\$ 529,628	1017.2%
Interest Expense	(652,982)	(1,516,294)	863,312	-56.9%
Gain (Loss) of Disposal of Capital Assets	780,228	345,436	434,792	125.9%
Transfer (to)/from Other Entities	-	(1,650,171)	1,650,171	-100.0%
Other (Net)	(6,350)	(3,720)	(2,630)	70.7%
Total Nonoperating Revenues (Expenses)	\$ 702,592	\$ (2,772,681)	\$ 3,475,273	125.3%
Income Before Contributions and Transfers	\$ 25,158,392	\$ 32,738,533	\$ (7,580,141)	-23.2%
Capital Contributions:				
Impact Fees	\$ 1,708,896	\$ 1,463,710	\$ 245,186	16.8%
Subdividers	3,150,075	5,614,023	(2,463,948)	-43.9%
Other Governments	1,190,251	471,258	718,993	152.6%
Transfers In	1,111,050	1,194,698	(83,648)	-7.0%
Transfers Out	(1,111,050)	(1,194,698)	83,648	7.0%
Change in Net Position	\$ 31,207,614	\$ 40,287,524	\$ (9,079,910)	-22.5%
Net Position - Beginning	\$ 674,457,552	\$ 634,170,028	\$ 40,287,524	6.4%
Net Position - Ending	\$ 705,665,166	\$ 600,638,685	\$ 105,026,481	17.5%



WATER AND SEWER FUND

As indicated in the table that follows, the *Change in Net Position* of \$27,162,985 for the fiscal year ended April 30, 2023, was \$9.8 million or 26.6 percent lower than the *Change in Net Position* of the prior fiscal year.

Changes in Net Position	2023	2022	\$ Chg	% Chg
Operating Revenues:				
Charges for Sales and Services:				
Sale of Water	\$ 61,730,563	\$ 58,152,389	\$ 3,578,174	6.2%
Sewer Service	53,384,520	49,483,179	3,901,341	7.9%
Stormwater Fees	-	-	-	0.0%
Tapping Fees	555,362	679,612	(124,250)	-18.3%
Penalties and Reconnect Charges	4,181,480	3,947,416	234,064	5.9%
Sale of Pellets, Timber and Materials	55,781	46,613	9,168	19.7%
Other Operating Revenues	717,380	1,439,596	(722,216)	-50.2%
Total Operating Revenues	\$ 120,625,086	\$ 113,748,805	\$ 6,876,281	6.0%
Operating Expenses:				
Water	\$ 16,104,505	\$ 14,449,897	\$ 1,654,608	11.5%
Sewer	20,746,052	19,117,317	1,628,735	8.5%
Stormwater	-	-	-	0.0%
Indirect	13,937,835	13,208,062	729,773	5.5%
Administrative	27,564,523	13,614,628	13,949,895	102.5%
Depreciation	21,593,790	20,410,058	1,183,732	5.8%
Total Operating Expenses	\$ 99,946,705	\$ 80,799,962	\$ 19,146,743	23.7%
Operating Income	\$ 20,678,381	\$ 32,948,843	\$ (12,270,462)	-37.2%
Nonoperating Revenues (Expenses):				
Interest Income	\$ 577,313	\$ 49,135	\$ 528,178	1075.0%
Interest Expense	(649,595)	(1,516,008)	866,413	-57.2%
Gain (Loss) of Disposal of Capital Assets	4,970	21,137	(16,167)	-76.5%
Transfer (to)/from Other Entities	-	(1,650,171)	1,650,171	-100.0%
Other (Net)	(1,350)	(1,220)	(130)	10.7%
Total Nonoperating Revenues (Expenses)	\$ (68,662)	\$ (3,097,127)	\$ 3,028,465	97.8%
Income Before Contributions and Transfers	\$ 20,609,719	\$ 29,851,716	\$ (9,241,997)	-31.0%
Capital Contributions:				
Impact Fees	\$ 1,708,896	\$ 1,463,710	\$ 245,186	16.8%
Subdividers	2,543,069	4,016,486	(1,473,417)	-36.7%
Other Governments	1,190,251	471,258	718,993	152.6%
Transfers In	1,111,050	1,194,698	(83,648)	-7.0%
Transfers Out	-	-	-	0.0%
Change in Net Position	\$ 27,162,985	\$ 36,997,868	\$ (9,834,883)	-26.6%
Net Position - Beginning	\$ 611,152,822	\$ 574,154,954	\$ 36,997,868	6.4%
Net Position - Ending	\$ 638,315,807	\$ 611,152,822	\$ 27,162,985	4.4%



STORMWATER FUND

As indicated in the table that follows, the *Change in Net Position* of \$4,044,629 for the fiscal year ended April 30, 2023, an increase of \$755 thousand or 22.9 percent higher than the prior fiscal year.

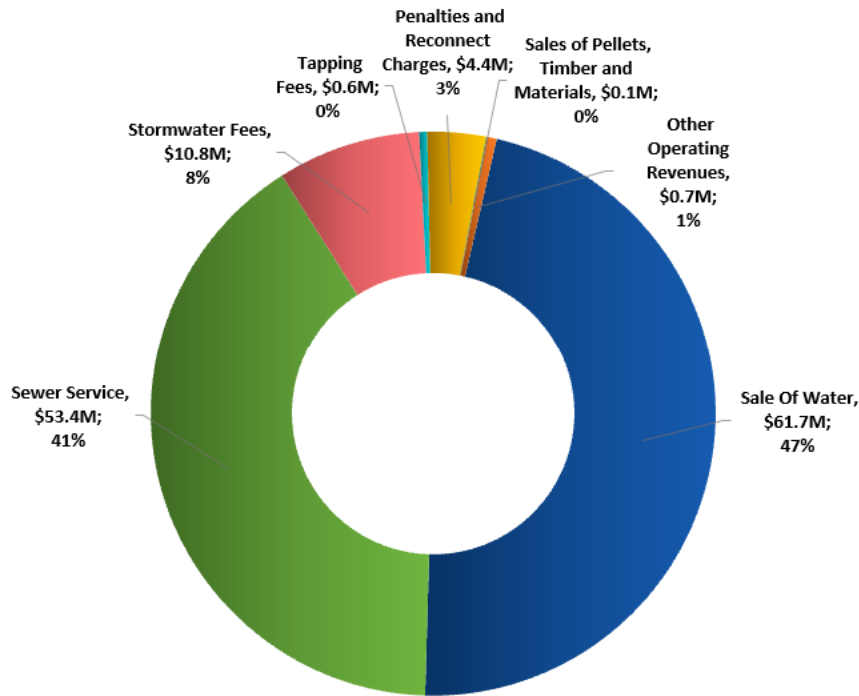
Changes in Net Position	2023	2022	\$ Chg	% Chg
Operating Revenues:				
Charges for Sales and Services:				
Sale of Water	\$ -	\$ -	\$ -	0.0%
Sewer Service	-	-	-	0.0%
Stormwater Fees	10,784,574	10,666,821	117,753	1.1%
Tapping Fees	-	-	-	0.0%
Penalties and Reconnect Charges	169,471	170,698	(1,227)	-0.7%
Sale of Pellets, Timber and Materials	1,466	1,777	(311)	-17.5%
Other Operating Revenues	-	-	-	0.0%
Total Operating Revenues	\$ 10,955,511	\$ 10,839,296	\$ 116,215	1.1%
Operating Expenses:				
Water	\$ -	\$ -	\$ -	0.0%
Sewer	-	-	-	0.0%
Stormwater	2,826,285	2,565,170	261,115	10.2%
Indirect	2,736,850	1,828,128	908,722	49.7%
Administrative	-	-	-	0.0%
Depreciation	1,614,957	3,883,627	(2,268,670)	-58.4%
Total Operating Expenses	\$ 7,178,092	\$ 8,276,925	\$ (1,098,833)	-13.3%
Operating Income	\$ 3,777,419	\$ 2,562,371	\$ 1,215,048	47.4%
Nonoperating Revenues (Expenses):				
Interest Income	\$ 4,383	\$ 2,933	\$ 1,450	49.4%
Interest Expense	(3,387)	(286)	(3,101)	1084.3%
Gain (Loss) of Disposal of Capital Assets	775,258	324,299	450,959	139.1%
Transfer (to)/from Other Entities	-	-	-	0.0%
Other (Net)	(5,000)	(2,500)	(2,500)	100.0%
Total Nonoperating Revenues (Expenses)	\$ 771,254	\$ 324,446	\$ 446,808	137.7%
Income Before Contributions and Transfers	\$ 4,548,673	\$ 2,886,817	\$ 1,661,856	57.6%
Capital Contributions:				
Impact Fees	\$ -	\$ -	\$ -	0.0%
Subdividers	607,006	1,597,537	(990,531)	-62.0%
Other Governments	-	-	-	0.0%
Transfers In	-	-	-	0.0%
Transfers Out	(1,111,050)	(1,194,698)	83,648	-7.0%
Change in Net Position	\$ 4,044,629	\$ 3,289,656	\$ 754,973	22.9%
Net Position - Beginning	\$ 63,304,730	\$ 60,015,074	\$ 3,289,656	5.5%
Net Position - Ending	\$ 67,349,359	\$ 63,304,730	\$ 4,044,629	6.4%



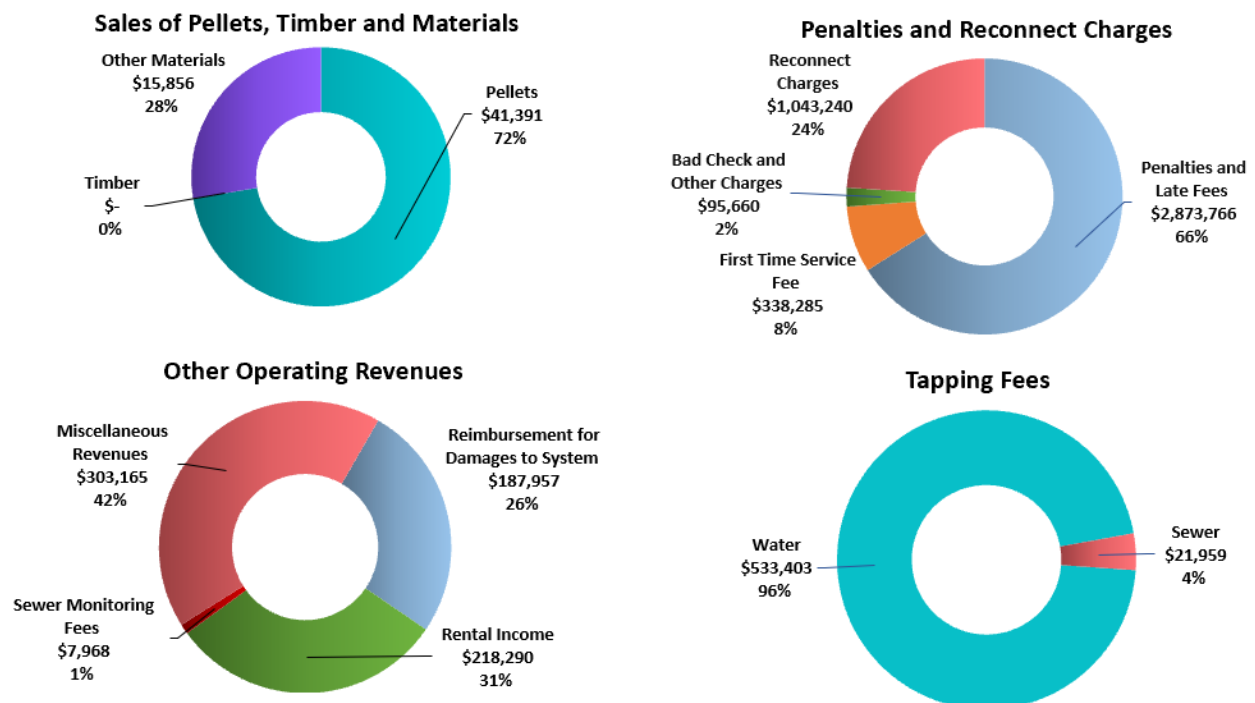
ANALYSIS OF REVENUES

For the 2023 fiscal year, the *Operating Revenues* of the Authority totaled \$131,580,597 an increase of \$6,992,496, or 5.6 percent higher than the previous year. The operating revenues have been broken down by their major categories in the chart below. Each revenue class is shown by amount and its relative percentage of this fiscal year's total.

OPERATING REVENUES BY MAJOR CATEGORY



OPERATING REVENUES BY DETAIL





The table below provides a side-by-side comparison of Operating Revenues for the 2023 and 2022 fiscal years.

Operating Revenues	2023	2022	\$ Chg	% Chg	% Operating Revenues
Sale of Water	\$ 61,730,563	\$ 58,152,389	\$ 3,578,174	6.2%	46.8%
Sewer Service	53,384,520	49,483,179	3,901,341	7.9%	40.6%
Stormwater Fees	10,784,574	10,666,821	117,753	1.1%	8.2%
Tapping Fees	555,362	679,612	(124,250)	-18.3%	0.4%
Penalties and Reconnect Charges	4,350,951	4,118,114	232,837	5.7%	3.3%
Sale of Pellets, Timber and Materials	57,247	48,390	8,857	18.3%	0.0%
Other Operating Revenues	717,380	1,439,596	(722,216)	-50.2%	0.5%
Total Operating Revenues	\$ 131,580,597	\$ 124,588,101	\$ 6,992,496	5.6%	100.0%

Operating Revenues of \$131,580,597 increased \$6,992,496 or 5.6 percent in 2023 driven by increases in the *Sale of Water* and *Sewer Service*. These revenue categories increased due to a full year of the 5 percent rate adjustment that went into effect on January 1, 2022 and the 3 percent rate adjustment that went into effect on January 1, 2023. These adjustments were applied to tier and base rates for both water and sewer customers. The increase in revenue due to the rate adjustments were slightly offset by changes in customer usage. *Stormwater Fees* of \$10,784,574 increased \$117,753 or 1.1 percent in 2023 primarily due to population growth and economic recovery. Stormwater rates have not been adjusted since the inception of the utility in 2007.

Tapping fees, or installation charges, of \$555,362 fell by \$124,250 as residential development slowed during 2023. These fees are received from developers a few months prior to the completion of a property so there are timing differences between revenue received in this account and revenues recognized from water and sewer usage. *Sales of Pellets, Timber and Materials* of \$57,247 increased by \$8,857 in 2023. These are revenues from the sale of certain by-products of the Authority's operation. The Authority has a fertilizer pellet process that uses a portion of treated biosolids created from sewer treatment to manufacture fertilizer to sell for agricultural use. Scrap metal, generated mostly from the replacement of pipe infrastructure, is sold annually. The Authority harvests and sells timber every few years based on tree maturity and market price. There was no timber harvest in 2023 and more pellets were sold this year.

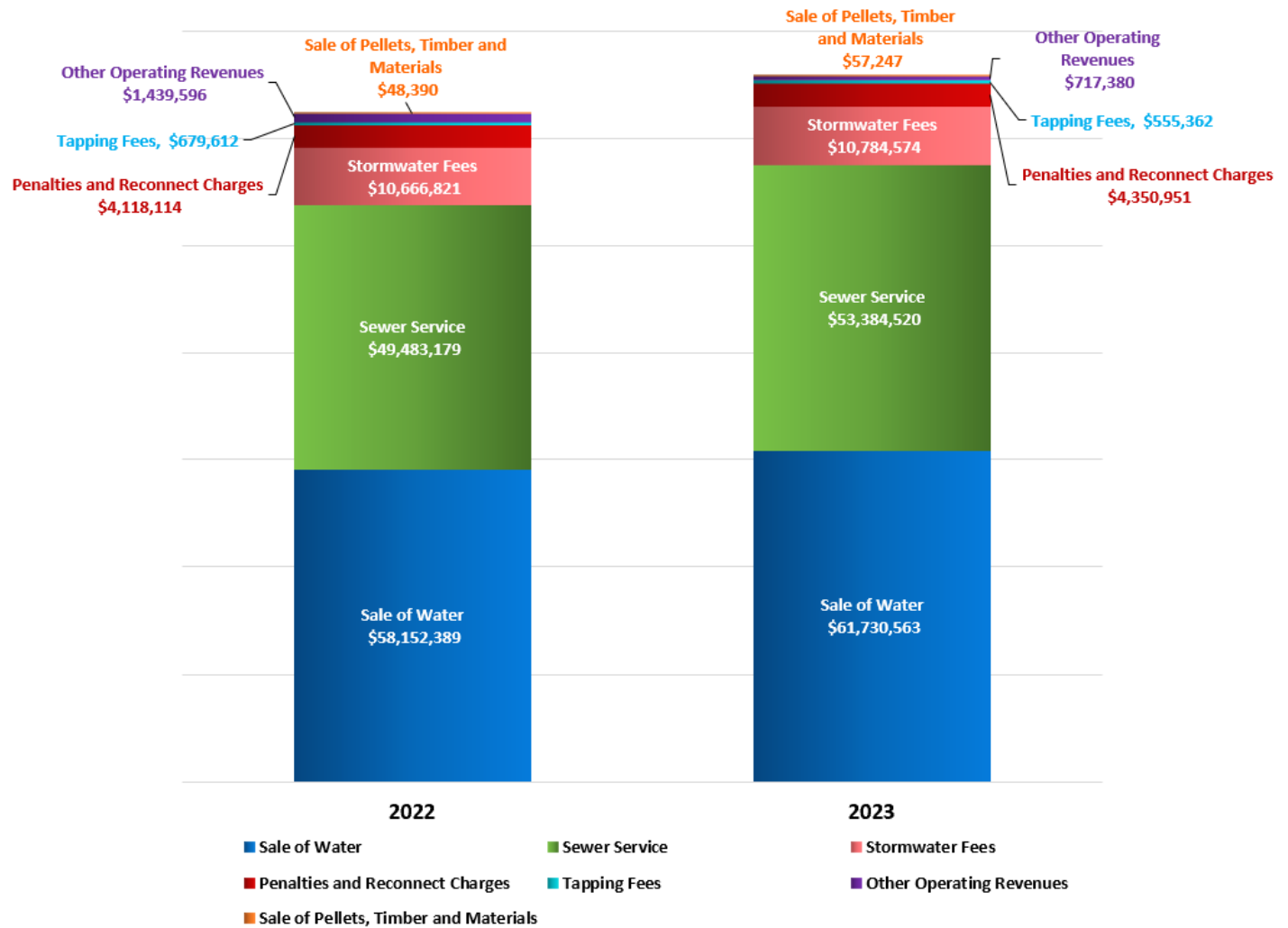
Penalties and Reconnect Charges of \$4,350,951 increased \$232,837 from the prior year. The primary cause in the growth in this category of revenue was due to an increase of \$224,885 in *Penalties and Late Fees with Bad Check Charge* adding another \$23,070. Decreases in *Reconnect Charges*, *First-time Service Fees* and other penalties totaled \$15,190, offsetting those increases.

Other Operating Revenue of \$717,380 decreased by half in 2023. This revenue line item consists of the recognition of unearned revenue from the annual amortization of donated lift stations, system and equipment damage reimbursements, and property rental income from the use of the Authority's community-use buildings and from the placement of cell towers on its water tanks and property. The money received from insurance reimbursements are also included in this category of revenue and in 2023, these reimbursements totaled \$22,538. The Authority received an estimated \$1.3 million insurance recovery for damages caused by a lightning strike at one of the water reclamation facilities. In 2021, \$500,000 was reimbursed for the claim and in 2022, approximately \$800,000 was received for the second portion of this claim was received. The change in insurance reimbursements between fiscal years was the



primary driver for the decrease in this category. Operating revenue detail can be found in the [Schedule of Operating Revenues](#) in the Supplementary Information section of this document.

COMPARISON OF OPERATING REVENUES





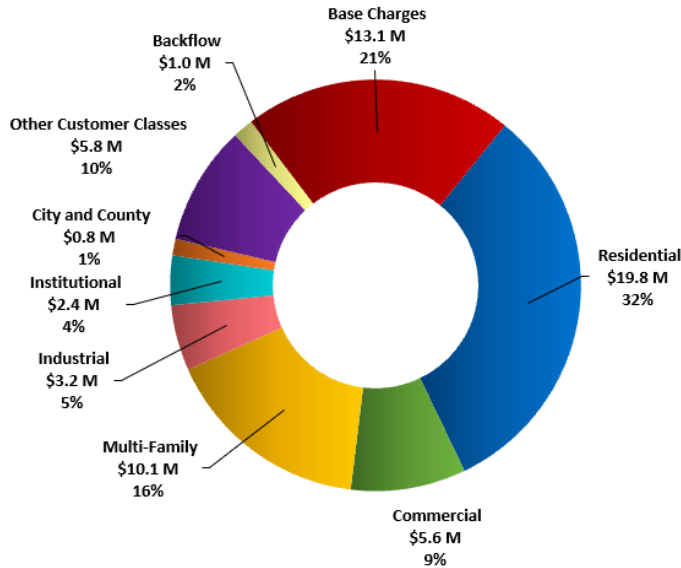
The tables below provide a side-by-side comparison of *Operating Revenues* by fund for the 2023 and 2022 fiscal years. The graphs provide additional detail of each the operating revenue categories.

WATER AND SEWER FUND

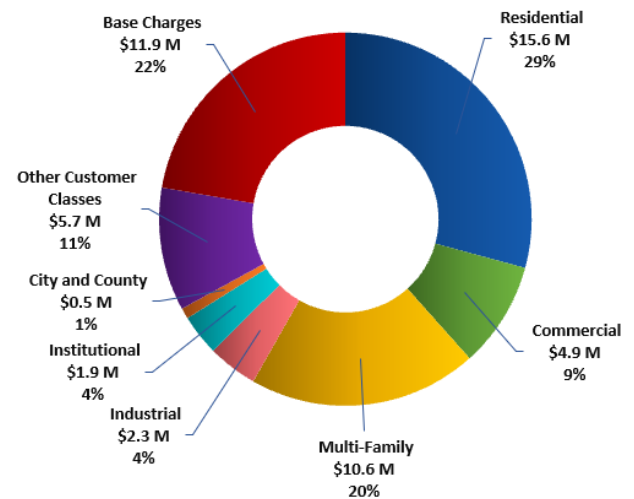
Operating Revenues	2023	2022	\$ Chg	% Chg	% Operating Revenues
Sale of Water	\$ 61,730,563	\$ 58,152,389	\$ 3,578,174	6.2%	46.8%
Sewer Service	53,384,520	49,483,179	3,901,341	7.9%	40.6%
Stormwater Fees	-	-	-	0.0%	0.0%
Tapping Fees	555,362	679,612	(124,250)	-18.3%	0.4%
Penalties and Reconnect Charges	4,181,480	3,947,416	234,064	5.9%	3.2%
Sale of Pellets, Timber and Materials	55,781	46,613	9,168	19.7%	0.0%
Other Operating Revenues	717,380	1,439,596	(722,216)	-50.2%	0.5%
Total Operating Revenues	\$ 120,625,086	\$ 113,748,805	\$ 6,876,281	6.0%	100.0%

The graphs below show the detail of revenue received from the usage and base rates for water and sewer sales by customer category.

Sale of Water Detail



Sewer Service Detail



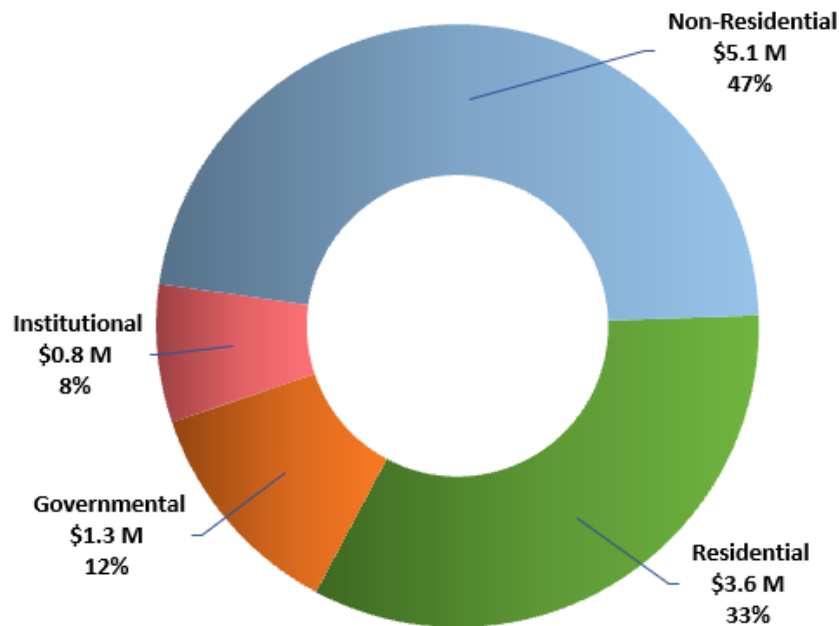


STORMWATER FUND

Operating Revenues	2023	2022	\$ Chg	% Chg	% Operating Revenues
Sale of Water	\$ -	\$ -	\$ -	0.0%	-0.1%
Sewer Service	-	-	-	0.0%	0.0%
Stormwater Fees	10,784,574	10,666,821	117,753	1.1%	8.2%
Tapping Fees	-	-	-	0.0%	0.0%
Penalties and Reconnect Charges	169,471	170,698	(1,227)	-0.7%	0.1%
Sale of Pellets, Timber and Materials	1,466	1,777	(311)	-17.5%	0.0%
Other Operating Revenues	-	-	-	0.0%	0.0%
Total Operating Revenues	\$ 10,955,511	\$ 10,839,296	\$ 116,215	1.1%	100.0%

The graph below shows the detail of revenue received from stormwater fees by customer category.

Stormwater Fee Detail

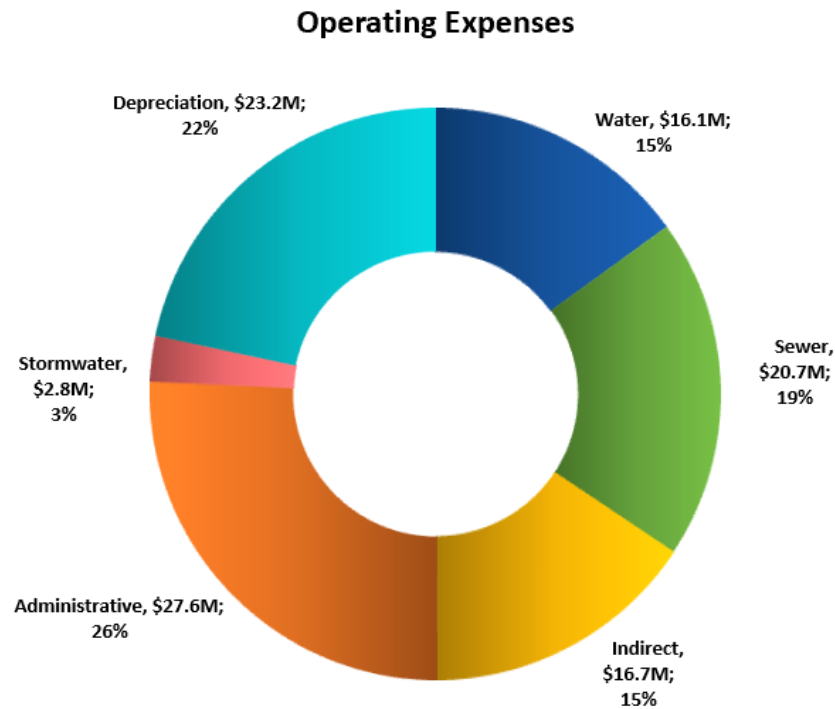




ANALYSIS OF EXPENSES

Total Operating Expenses for FY 2023 were \$107,124,797, an increase of \$18,047,910, or 20.3 percent higher than the prior fiscal year total of \$89,076,887. The six major categories of Operating Expenses are shown in the chart below.

OPERATING EXPENSES BY MAJOR CATEGORY



The table below provides a side-by-side comparison of Operating Expenses for the 2023 and 2022 fiscal years.

Operating Expenses	2023	2022	\$ Chg	% Chg	% Operating Expenses
Water	\$ 16,104,505	\$ 14,449,897	\$ 1,654,608	11.5%	15.0%
Sewer	20,746,052	19,117,317	1,628,735	8.5%	19.4%
Indirect	16,674,685	15,036,190	1,638,495	10.9%	15.6%
Administrative	27,564,523	13,614,628	13,949,895	102.5%	25.7%
Stormwater	2,826,285	2,565,170	261,115	10.2%	2.6%
Depreciation	23,208,747	24,293,685	(1,084,938)	-4.5%	21.7%
Total Operating Expenses	\$ 107,124,797	\$ 89,076,887	\$ 18,047,910	20.3%	100.0%

For the 2023 fiscal year, operating expenses of \$107,124,797 increased \$18,047,910 or 20.3 percent. An increase of \$11.5 million in *Net Pension Expense* was responsible for 64 percent of the overall change between fiscal years. Growth in *Salaries and Wages* contributed \$2.0 million to the overall increase in operating expenses due to a Cost-of-Living Adjustment (COLA) of 6 percent approved by the Board of Directors to keep pace with inflation. The prices of *Chemicals* used in the treatment of water and sewer increased \$1.0 million in 2023 and expenses related to *Affordability Programs* increased \$715 thousand dollars in 2023 as customers received assistance from the grant funding from the Low-Income Household Water Assistance Program (LIHWAP) and the American Rescue Plan Act (ARPA). The grant funding from LIHWAP of \$502 thousand and from ARPA of \$216 thousand was received in revenue



and matched the expense of the assistance provided. Increases in utilities, employee benefits, and operating materials and supplies made up the remaining growth in operating expenses in 2023.

Direct expenses related to the treatment of water of \$16,104,505 increased by \$1,654,608 or 11.5 percent in 2023. Increases in salaries, wages and benefits contributed \$529 thousand and increased chemical costs added another \$1.2 million to the overall increase. These increases were offset by the net decrease of \$45 thousand dollars in other operating expense categories.

Direct expenses related to the treatment of sewer flows of \$20,746,052 increased by \$1,628,735 or 8.5 percent in 2023. Increases in salaries, wages and benefits contributed \$834 thousand and increased chemical costs added another \$338 thousand to the overall increase in expenses. Electricity and gas prices increased the cost of utilities by \$371 thousand to the increase between years. Net changes in other operating expense categories were responsible for the remainder of the growth in expenses in 2023.

Indirect operating expenses increased by \$1,638,495 in 2023. Indirect operating expenses include expenses of the business units dedicated to providing essential support to operations related to producing, treating, and transporting water, sewer, and stormwater throughout the County. These business units include Meter Services, Program Management, Engineering, Construction Services, Warehouse, Building, Equipment, Grounds and Garage Maintenance. The primary driver of the increase over the prior year was growth in salaries, wages and benefits of \$1.5 million. The increases in net pension expense of \$574 thousand and net OPEB expense of \$16 thousand for the Stormwater Fund were applied as indirect expenses to the Fund's salaries, wages and benefits and were responsible for \$589 thousand of the overall increase in these expenses in 2023. Net changes in other operating expense categories were responsible for the remainder of the growth in expenses in 2023.

Direct operating expenses from Stormwater operations increased by \$261,115 with \$136 thousand of the increase due to growth in salaries, wages and benefits. Net changes in other expense categories were responsible for the additional increase in direct operating expenses in 2023.

Administrative operating expenses include the expenses related to the administrative business units at the Authority and include Human Resources, Communications and Outreach, Customer Service, Customer Accounting, Information Technology, Procurement, and Finance functions. Administrative operating expenses of \$27,564,523 increased by \$13,949,895 in 2023. The increase in this operating expense category was primarily due to the increase in net pension expense of \$10,899,543. Net OPEB expense also increased \$462,507 for the year. Excluding net pension and OPEB expense increases, salaries, wages and benefits contributed an additional \$1,046,142 to the overall increase in this operating expense category. In 2022, a grant program, Low-Income Household Water Assistance Program (LIHWAP), was initiated by the Federal government to assist low-income families pay overdue water bills. Grant funds for approved water customers were sent to the Authority for customers approved to receive this assistance. For the fiscal year ended April 30, 2023, CCWA distributed \$932,503 of this grant to its customers increasing the expenses through its affordability program by \$502 thousand over the prior year. Through the American Rescue Plan Act (ARPA), the Authority received \$216 thousand in grant funding in fiscal year 2023 and distributed \$213 thousand to its customers through its affordability program. Net changes in all other operating expenses were responsible for the remaining increase in this category.

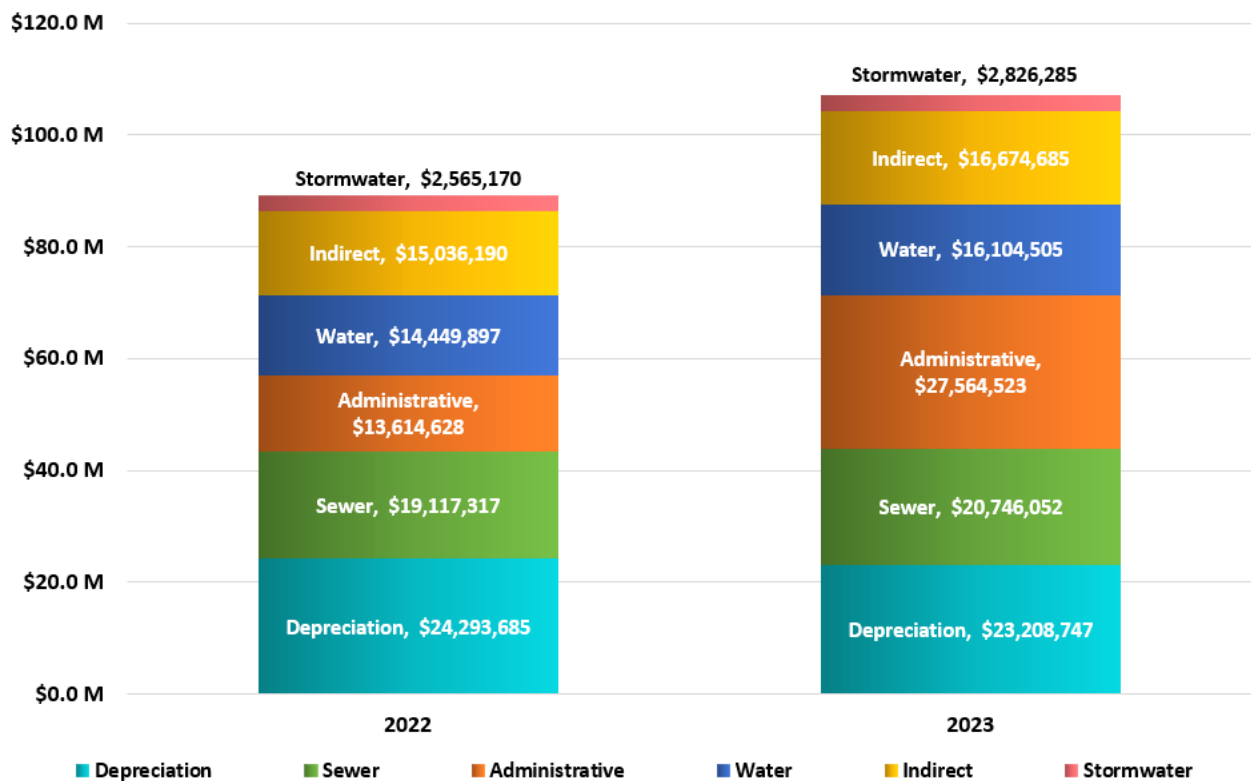
Depreciation expense of \$23,208,747 decreased by \$1,084,938 in 2023 due to net changes between capital additions and disposals and the variation of the estimated life of those assets. Two major Stormwater pipe groups, with a



combined donated total of \$58.7 million and annual depreciation expense of \$2.3 million were fully depreciated in April 2022. These large asset groups were part of the donated infrastructure from the County and its cities that the Authority assumed with the inception of the Stormwater Fund in 2007.

In the Supplementary Information section of this document are schedules for each major expense category that show the detail of operating expenses by business unit: [Schedule of Operating Expenses – Direct Water Expenses](#); [Schedule of Operating Expenses – Direct Wastewater Expenses](#); [Schedule of Operating Expenses – Indirect Expenses](#); [Schedule of Operating Expenses – Administrative Expenses](#), and [Schedule of Operating Expenses – Stormwater Direct and Indirect Expenses](#).

COMPARISON OF OPERATING EXPENSES



The tables below provide a side-by-side comparison of Operating Expenses by fund for the 2023 and 2022 fiscal years.

WATER AND SEWER FUND

Operating Expenses	2023	2022	\$ Chg	% Chg	% Operating Expenses
Water	\$ 16,104,505	\$ 14,449,897	\$ 1,654,608	11.5%	16.1%
Sewer	20,746,052	19,117,317	1,628,735	8.5%	20.8%
Indirect	13,937,835	13,208,062	729,773	5.5%	13.9%
Administrative	27,564,523	13,614,628	13,949,895	102.5%	27.6%
Stormwater	-	-	-	0.0%	0.0%
Depreciation	21,593,790	20,410,058	1,183,732	5.8%	21.6%
Total Operating Expenses	\$ 99,946,705	\$ 80,799,962	\$ 19,146,743	23.7%	100.0%



STORMWATER FUND

Operating Expenses	2023	2022	\$ Chg	% Chg	% Operating Expenses
Water	\$ -	\$ -	\$ -	0.0%	0.0%
Sewer	-	-	-	0.0%	0.0%
Indirect	2,736,850	1,828,128	908,722	49.7%	38.1%
Administrative	-	-	-	0.0%	0.0%
Stormwater	2,826,285	2,565,170	261,115	10.2%	39.4%
Depreciation	1,614,957	3,883,627	(2,268,670)	-58.4%	22.5%
Total Operating Expenses	\$ 7,178,092	\$ 8,276,925	\$ (1,098,833)	-13.3%	100.0%

ANALYSIS OF CAPITAL CONTRIBUTIONS

"*Capital Contributions*" are contributions or donations of capital in the form of money or property to a business by an owner, partner, or shareholder. In the case of the Authority where the equity interest in the business really belongs to our customers, the term typically refers to money or infrastructure that is given to the Authority to improve or expand the system. Examples would include water and sewer lines that are donated by developers and impact fees that are paid to offset the costs of constructing capacity, in advance of service demands.

Historically, *Capital Contributions* have been a critical source of capital for the Authority in expanding the capacity and service delivery areas of its water and sewer systems. In FY 2008, it served as the principal method for initiating the Stormwater Utility when the Authority received almost \$52.3 million in net book value of donated stormwater infrastructure from the County and its municipalities.

Capital Contributions	2023	2022	\$ Chg	% Chg
Impact Fees	\$ 1,708,896	\$ 1,463,710	\$ 245,186	16.8%
Subdividers	3,150,075	5,614,023	(2,463,948)	-43.9%
Intergovernmental	1,190,251	471,258	718,993	152.6%
Total Capital Contributions	\$ 6,049,222	\$ 7,548,991	\$ (1,499,769)	-19.9%

During periods of strong economic development, commercial and residential developers contribute the piping and meter infrastructure they install when their construction is completed. In 2023, *Capital Contributions* from *Subdividers* totaled \$3,150,075 with \$2,543,069 in donated water and sewer infrastructure and \$607,006 in donated stormwater infrastructure. The annual average donated capital infrastructure from subdividers over the previous five fiscal years has been \$3.2 million for water and sewer infrastructure and \$1.1 million for stormwater infrastructure.

Four residential subdivisions accounted for \$1.9 million of those contributions which included stormwater, water, and sewer pipelines. Various commercial and industrial developments contributed \$1.0 million in meter, sewer, and line extensions and a high school which added another \$264 thousand in donated assets. Miscellaneous development added to the remaining contributed assets.

Contributions from *Impact Fees* and *Subdividers* are related to development activity. *Impact Fees* are earned at the beginning of the development process while contributions of pipe infrastructure from *Subdividers* occur when the development is completed, and the infrastructure is donated to the Authority to maintain as part of its system. The type of development along with the timing of the development phases which could span fiscal years, could show an



increase in one category of contribution while the other category could show a decrease in the same fiscal year. In 2023, *Impact Fees* of \$1.7 million had an increase of \$245 thousand and *Subdivider* infrastructure had a decrease of \$2.5 million.

In 2023, *Intergovernmental* contributions of \$1,190,251 were \$718,993 higher than the prior year. This category of contributions consisted solely of grant funding for both this and the previous fiscal years. In 2022, a grant program, Low-Income Household Water Assistance Program (LIHWAP), was initiated by the Federal government to assist low-income families pay overdue water bills. Grant funds for approved water customers were sent to the Authority for customers approved to receive this assistance. For the fiscal year ended April 30, 2023, CCWA distributed \$931,573 of this grant to its customers increasing both grant revenue and expenses through its affordability programs by \$501 thousand over the prior year. Through the American Rescue Plan Act (ARPA), the Authority received \$216,000 thousand in grant funding in fiscal year 2023 and distributed \$213 thousand to its customers through its affordability program as an offsetting expense. In 2023, a second tourism grant of \$40,000 was awarded to the Newman Wetlands Educational Center by the Clayton County Tourism Board versus the one received in 2022 of \$39,300. These grants were received to improve the educational exhibits, improve accessibility (ADA compliance), and better market the Center to the surrounding region.

The tables that follow show a comparison of *Capital Contributions* by Fund on April 30, 2023 and 2022.

WATER AND SEWER FUND

Capital Contributions	2023	2022	\$ Chg	% Chg
Impact Fees	\$ 1,708,896	\$ 1,463,710	\$ 245,186	16.8%
Subdividers	2,543,069	4,016,486	(1,473,417)	-36.7%
Intergovernmental	1,190,251	471,258	718,993	152.6%
Total Capital Contributions	\$ 5,442,216	\$ 5,951,454	\$ (509,238)	-8.6%

STORMWATER FUND

Capital Contributions	2023	2022	\$ Chg	% Chg
Impact Fees	\$ -	\$ -	\$ -	0.0%
Subdividers	607,006	1,597,537	(990,531)	-62.0%
Intergovernmental	-	-	-	0.0%
Total Capital Contributions	\$ 607,006	\$ 1,597,537	\$ (990,531)	-62.0%





CAPITAL ASSETS AND DEBT

CAPITAL ASSETS

On April 30, 2023, the Clayton County Water Authority had an investment of \$655.7 million in capital assets, net of depreciation and amortization. This amount represents a net increase, including additions and disposals, of \$38.9 million, or 6.3 percent more than last year. Of that total investment in plant, property, equipment and construction-in-progress on April 30, 2023, the Water and Sewer Fund had \$592,338,207 in net capital assets, and the Stormwater Fund had \$63,368,027. Comparative schedules for each fund's capital assets by major classification for the two most recent fiscal years is shown in the following tables. Additional detailed information concerning the Authority's capital assets can be found in the *Notes to the Financial Statements*, [Note 6: Capital Assets](#).

WATER AND SEWER FUND

Capital Asset Classification	2023	2022	\$ Chg	% Chg	% Capital Assets
Land and Easements	\$ 30,378,267	\$ 30,378,082	185	0.0%	5.1%
Building and Structures	96,766,887	101,490,927	(4,724,040)	-4.7%	16.3%
Operating and Maintenance Equipment	42,919,429	45,159,160	(2,239,731)	-5.0%	7.2%
Field Equipment	13,843,840	12,930,285	913,555	7.1%	2.3%
Road Equipment	1,262,241	1,060,330	201,911	19.0%	0.2%
Piping	282,390,826	268,940,844	13,449,982	5.0%	47.7%
Technology and Office Equipment	5,054,386	6,491,825	(1,437,439)	-22.1%	0.9%
Furniture and Fixtures	415,379	438,832	(23,453)	-5.3%	0.1%
System Franchises and Engineering Studies	46,332,297	48,295,876	(1,963,579)	-4.1%	7.8%
Construction in Progress	72,974,655	58,944,066	14,030,589	23.8%	12.3%
Total Capital Assets, net of accumulated depreciation	\$ 592,338,207	\$ 574,130,227	\$ 18,207,980	3.2%	100.0%

STORMWATER FUND

Capital Asset Classification	2023	2022	\$ Chg	% Chg	% Capital Assets
Land and Easements	\$ 1,971,105	\$ 1,961,183	9,922	0.5%	3.1%
Building and Structures	465,440	485,439	(19,999)	-4.1%	0.7%
Operating and Maintenance Equipment	20,329	21,546	(1,217)	-5.6%	0.0%
Field Equipment	416,180	520,760	(104,580)	-20.1%	0.7%
Road Equipment	238,896	418,981	(180,085)	-43.0%	0.4%
Piping	54,952,047	51,443,982	3,508,065	6.8%	86.7%
Technology and Office Equipment	49,919	54,709	(4,790)	-8.8%	0.1%
Furniture and Fixtures	23,012	29,851	(6,839)	-22.9%	0.0%
System Franchises and Engineering Studies	711,945	851,726	(139,781)	-16.4%	1.1%
Construction in Progress	4,519,154	2,278,923	2,240,231	98.3%	7.1%
Total Capital Assets, net of accumulated depreciation	\$ 63,368,027	\$ 58,067,100	\$ 5,300,927	9.1%	100.0%



DEBT

On April 30, 2023, the Clayton County Water Authority had \$64,295,790 in debt obligation, a net decrease of \$8,923,783 or 12.2 percent less than the previous fiscal year. The Water and Sewer Fund debt is comprised of one revenue bond which matures on May 1, 2023 and seven loans from the Georgia Environmental Finance Authority (GEFA), three are in repayment and two are actively disbursing during construction and two are executed and awaiting initial disbursement requests. The Stormwater Fund was awarded a GEFA loan in May 2021. This is the first debt obligation of the fund and \$4,079,698 of the \$10 million loan had been disbursed as of April 30, 2023.

Comparative schedules by major type of debt and fund on April 30 2023 and 2022 are shown in the tables below.

WATER AND SEWER FUND

Type of Debt	2023	2022	\$ Chg	% Chg
Revenue Bonds - Outstanding Principal	\$ 19,565,000	\$ 38,270,000	\$ (18,705,000)	-48.9%
Unamortized Bond Premium	-	1,118,403	(1,118,403)	-100.0%
GEFA Loans	40,651,092	32,509,903	8,141,189	25.0%
Total Debt	\$ 60,216,092	\$ 71,898,306	\$ (11,682,214)	-16.2%

For April 30, 2023, the decrease in revenue bond debt represents the scheduled annual maturity of the remaining bond series during the year. The increase in GEFA loans outstanding at the end of the fiscal year was due to \$10,468,525 in disbursements requested from two GEFA construction loans coupled with the principal payments of \$2,327,336 reducing principal balances for the three GEFA loans that are in repayment.

Additional detailed information concerning the Authority's liabilities can be found in the *Notes to the Financial Statements*, [Note 7: Long-term Obligations](#).

STORMWATER FUND

Type of Debt	2023	2022	\$ Chg	% Chg
Revenue Bonds - Outstanding Principal	\$ -	\$ -	\$ -	0.0%
Unamortized Bond Premium	-	-	-	0.0%
GEFA Loans	4,079,698	1,321,267	2,758,431	208.8%
Total Debt	\$ 4,079,698	\$ 1,321,267	\$ 2,758,431	208.8%

The Stormwater Fund has one loan from the Georgia Environmental Finance Authority (GEFA) of up to \$10 million which was awarded in May 2021. At April 30, 2023, it had an outstanding principal balance of \$4,079,698 due to the disbursements made for construction.



ECONOMIC FACTORS, RATES AND NEXT YEAR'S FINANCIAL ACTIVITY

ECONOMIC FACTORS

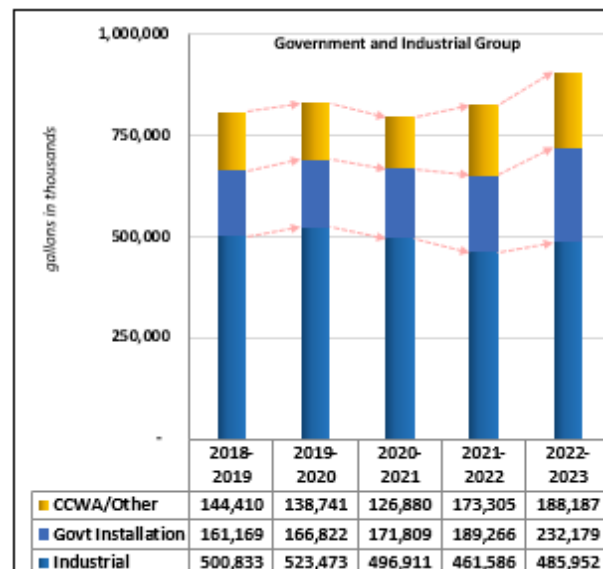
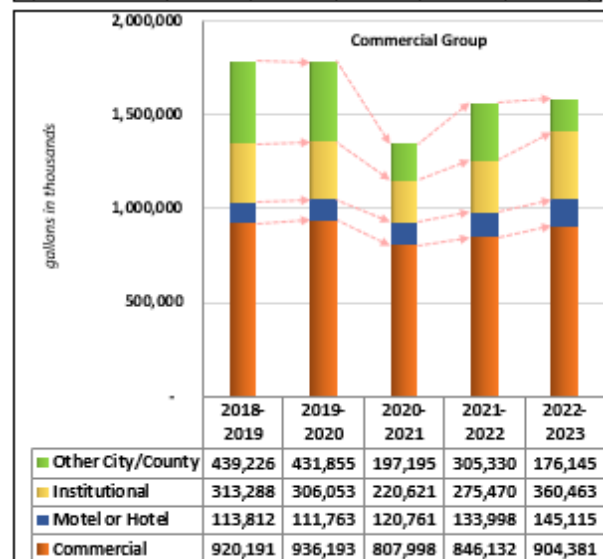
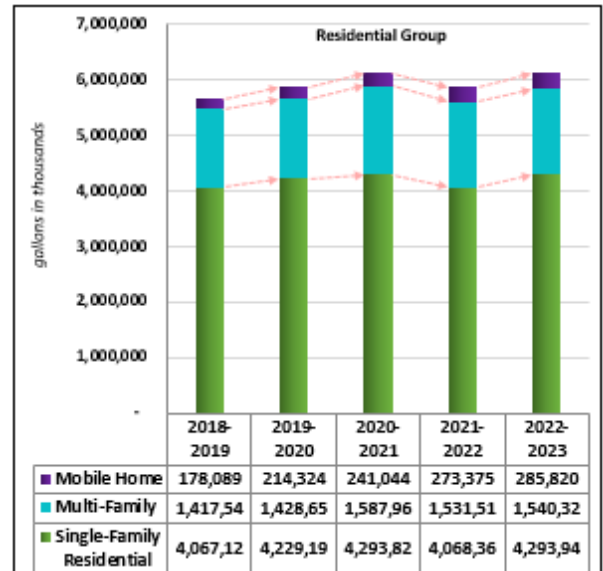
The impact of three water and sewer rate adjustments on January 1, 2021, January 1, 2022, and January 1, 2023 of 10 percent, 5 percent, and 3 percent, respectively, have assisted in generating some of the cash flow required to accommodate both the Authority's operational initiatives as well as its projected capital project projected funding needs. A rate adjustment of 8 percent will become effective on January 1, 2024.

The provision of water and sewer services represents a necessary purchase for the residents and industries of Clayton County. Based on historical trend information, the average residential customer in the County uses about 4,000 gallons a month.

Water usage per category group and customer type for the fiscal year 2022-2023 and the previous four years are displayed in the graphs to the right.

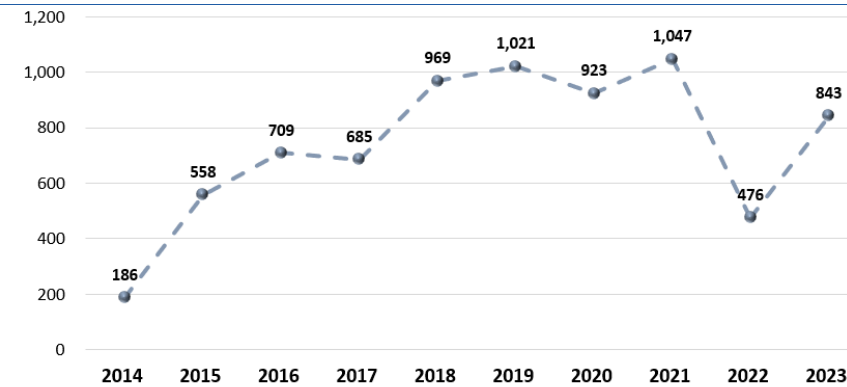
Overall, usage increased 4.3 percent in 2023. *Single-family Residential* usage, which makes up half of usage from all categories, increased 5.5 percent. Although usage in the *Commercial and Institutional* categories has increased for the past two fiscal years, up 3.3 percent in 2023, these customer categories have not recovered to pre-pandemic levels. *Industrial* consumption rose 2.8 percent from 2022 and is 18.5 percent higher than 2021.

The usage for *Residential-type* customers went up during the pandemic as schools in Clayton County chose virtual learning versus in person for almost the entire 2020 – 2021 academic year. Water usage for *Commercial-type* customers declined significantly during that year. This customer group included restaurants, stores, schools, churches, motels, and the city of College Park which supported the same type of customer categories. The *Government and Industrial* customer group showed a slight decline in usage from industrial customers. Even though Clorox increased production of disinfecting products to combat the spread of the COVID-19 virus production from other customers within this category declined.





METER SETTINGS



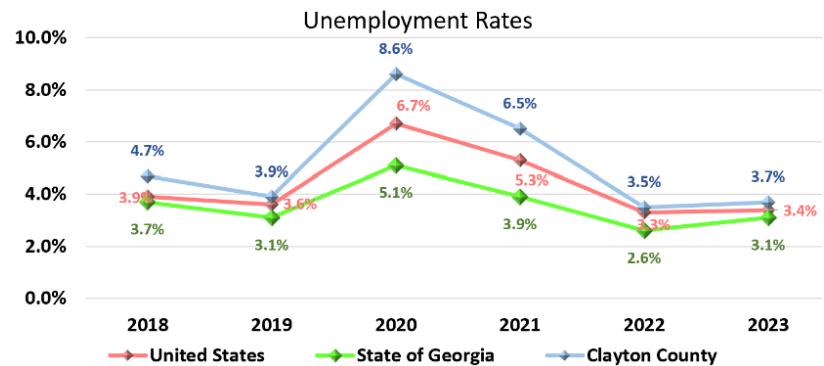
Source: CCWA Operational Data

The graph to the left shows the meter settings over the previous ten years. Home building increased during fiscal years 2019 through 2021. During the 2023 fiscal year, residential homebuilding and sales rebounded and meter settings increased 77 percent over the previous year.

UNEMPLOYMENT RATES

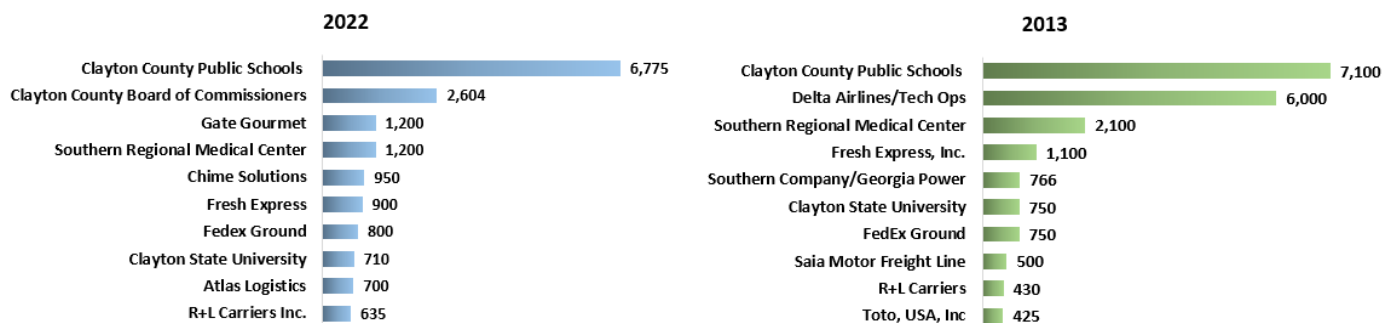
Unemployment Rates in Clayton County have decreased from the high levels experienced during the pandemic. Seasonally adjusted rates as of April 2023, has the rate for the County rate at 3.7 percent, slightly lower than 3.9 percent in 2019.

Sources: <https://fred.stlouisfed.org/> and <https://dol.georgia.gov/>



LARGEST EMPLOYERS

A comparison of the largest employers in Clayton County for 2022 and ten years prior are shown in the graphs below.



Sources: Clayton County, GA Government 2013-2014 Annual Budget; Invest Clayton - 2022



NEXT YEAR'S BUDGET

The Authority's operating budget for 2023 - 2024 took into consideration the anticipated impact of the economic factors cited above. The revenue projections include a water and sewer rate adjustment of eight percent on base and tiers, effective January 1, 2024. The operating budget was balanced with no appropriation of cash reserves and adequate funding was available for each of the projects that have been identified in the pay-as-you-go capital plan. A summary of the FY 2023 - 2024 Budget is in the table below.

CONSOLIDATED BUDGET - FY 2022 - 2023

	Water and Sewer Fund	Stormwater Fund	Total FY 2023 - 2024
Revenues			
Water Sales	\$ 63,494,402	\$ -	\$ 63,494,402
Sewer Sales	54,098,886	-	54,098,886
Stormwater Fees	-	10,559,615	10,559,615
Installation Charges	609,958	-	609,958
Account Servicing Charge	3,994,739	157,205	4,151,944
Miscellaneous Income	1,863,043	658	1,863,701
Interest Income	5,196	2,933	8,129
Impact Fees	1,179,117	-	1,179,117
Interfund Transfers: from Stormwater	1,145,681	-	1,145,681
Total Revenues	\$ 126,391,022	\$ 10,720,411	\$ 137,111,433
Expenses			
Personnel Services	\$ 44,885,414	\$ 2,915,137	\$ 47,800,551
Operating Expenses	53,237,786	3,498,073	56,735,859
Debt Service	2,955,838	11,700	2,967,538
Interfund Transfers: to Water and Sewer	-	1,145,681	1,145,681
Capital Expenditures	6,461,984	264,706	6,726,690
Capital Projects	18,850,000	2,885,114	21,735,114
Total Expenses and Appropriations	\$ 126,391,022	\$ 10,720,411	\$ 137,111,433

STORMWATER FEES

With the initiation of the stormwater utility, at the beginning of the 2008 fiscal year, the monthly residential rate was set at \$3.75 per household. For ease of fee administration, a uniform rate was established for residential properties based on the average amount of impervious surfaces. Using the resulting standard as a baseline, the rate for commercial customers was set at \$3.75 for each 2,950 square feet of impervious surfaces. These initial rates were not adjusted for either the current or the upcoming fiscal year. A recent analysis of all nonresidential customers was completed at the end of FY 2015. This analysis compared the impervious surface the Authority was given when it assumed the stormwater systems of Clayton County and its municipalities in 2007 with new, more accurate digital data. The billings based on the new impervious surface data became effective on January 1, 2016.



REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Clayton County Water Authority's finances for all those individuals having an interest in the Authority's operations and financial condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Clayton County Water Authority, Chief Financial Officer, 1600 Battle Creek Road, Morrow, Georgia 30260.





BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

Clayton County Water Authority
Statement of Net Position
Proprietary Funds
April 30, 2023

	Water and Sewer	Stormwater	Total	Huie Nature Preserve Foundation, Inc.
ASSETS				
Current Assets:				
Cash and Cash Equivalents:				
Unrestricted	\$ 48,996,354	\$ 11,266,406	\$ 60,262,760	\$ 1,242,509
Restricted	32,125,722	-	32,125,722	-
Accounts Receivable <i>(Net of Allowance for Uncollectible)</i>	15,446,925	667,352	16,114,277	-
Other Receivables	3,601,105	-	3,601,105	-
Inventories	3,003,344	-	3,003,344	-
Prepaid Expenses and Deposits	127,812	-	127,812	-
Total Current Assets	\$ 103,301,262	\$ 11,933,758	\$ 115,235,020	\$ 1,242,509
Noncurrent Assets:				
Unrestricted Assets:				
Cash and Cash Equivalents	\$ 43,924	\$ -	\$ 43,924	\$ -
Total Unrestricted Assets	\$ 43,924	\$ -	\$ 43,924	\$ -
Restricted Assets:				
Cash and Cash Equivalents:				
Debt Service	\$ 717,845	\$ -	\$ 717,845	\$ -
Renewal and Extension	84,793,319	-	84,793,319	-
Escrow Agreement	-	129,892	129,892	-
Total Restricted Assets	\$ 85,511,164	\$ 129,892	\$ 85,641,056	\$ -
Capital Assets:				
Land and Easements	\$ 30,378,267	\$ 1,971,105	\$ 32,349,372	\$ -
Buildings and Structures	199,693,182	750,973	200,444,155	185,168
Operating and Maintenance Equipment	90,932,782	136,335	91,069,117	-
Field Equipment	59,787,699	1,377,782	61,165,481	-
Road Equipment	8,617,390	1,630,455	10,247,845	-
Piping	417,855,777	160,290,974	578,146,751	-
Technology and Office Equipment	19,098,301	193,008	19,291,309	-
Furniture and Fixtures	2,621,884	101,891	2,723,775	-
System Franchise and Engineering Studies	91,915,840	802,399	92,718,239	126,026
Construction in Process	72,974,655	4,519,154	77,493,809	143,531
Less: Accumulated Depreciation	(401,537,570)	(108,406,049)	(509,943,619)	(10,650)
Total Capital Assets <i>(Net of Accumulated Depreciation)</i>	\$ 592,338,207	\$ 63,368,027	\$ 655,706,234	\$ 444,075
Total Noncurrent Assets	\$ 677,893,295	\$ 63,497,919	\$ 741,391,214	\$ 444,075
Total Assets	\$ 781,194,557	\$ 75,431,677	\$ 856,626,234	\$ 1,686,584
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges Related to Debt Refunding	\$ -	\$ -	\$ -	\$ -
Deferred Charges Related to OPEB Liability	2,437,462	131,250	2,568,712	-
Deferred Charges Related to Pension Liability	38,650,903	2,114,523	40,765,426	-
Total Deferred Outflows of Resources	\$ 41,088,365	\$ 2,245,773	\$ 43,334,138	\$ -

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

Continued on next page



Clayton County Water Authority
Statement of Net Position (Continued)
Proprietary Funds
April 30, 2023

	Water and Sewer	Stormwater	Total	Huie Nature Preserve Foundation, Inc.
LIABILITIES				
Current Liabilities Payable From Unrestricted Assets:				
Accounts Payable	\$ 8,040,517	\$ 264,742	\$ 8,305,259	\$ 65,973
Accrued Payroll Withholdings	661,374	37,941	699,315	-
Accrued Pension Contribution	322,320	18,873	341,193	-
Compensated Absences	1,016,331	70,235	1,086,566	-
Loans Payable - Due Within One Year	2,359,798		2,359,798	-
Accrued Loan Interest	22,959	436	23,395	-
Unearned Revenue	872,883	-	872,883	-
Total Current Liabilities Payable From Unrestricted Assets	\$ 13,296,182	\$ 392,227	\$ 13,688,409	\$ 65,973
Current Liabilities Payable From Restricted Assets:				
Accounts Payable	\$ 3,611,899	-	\$ 3,611,899	\$ -
Accrued Revenue Bond Interest	489,125	-	489,125	-
Customer Deposits	5,701,144	-	5,701,144	-
Revenue Bonds Payable - Due Within One Year	19,565,000	-	19,565,000	-
Total Current Liabilities Payable From Restricted Assets	\$ 29,367,168	\$ -	\$ 29,367,168	\$ -
Total Current Liabilities	\$ 42,663,350	\$ 392,227	\$ 43,055,577	\$ 65,973
Noncurrent Liabilities:				
Compensated Absences	\$ 981,510	\$ 60,876	\$ 1,042,386	\$ -
Loans Payable	38,291,294	4,079,698	42,370,992	-
Revenue Bonds Payable (Net of Bond Premium)	-	-	-	-
Net OPEB Liability	11,893,668	619,464	12,513,132	-
Net Pension Liability	80,026,520	4,642,929	84,669,449	-
Total Noncurrent Liabilities	\$ 131,192,992	\$ 9,402,967	\$ 140,595,959	\$ -
Total Liabilities	\$ 173,856,342	\$ 9,795,194	\$ 183,651,536	\$ 65,973
DEFERRED INFLOWS OF RESOURCES				
Deferred Charges Related to OPEB Liability	\$ 6,255,243	\$ 329,974	\$ 6,585,217	\$ -
Deferred Charges Related to Pension Liability	3,855,530	202,923	4,058,453	-
Total Deferred Inflows of Resources	\$ 10,110,773	\$ 532,897	\$ 10,643,670	\$ -
NET POSITION				
Net Investment in Capital Assets	\$ 528,510,216	\$ 59,288,329	\$ 587,798,545	\$ 444,075
Restricted for:				
Debt Service	20,771,970	-	20,771,970	-
Renewal and Extension	1,500,000	-	1,500,000	-
Working Capital	500,000	-	500,000	-
Escrow Agreement	-	129,892	129,892	-
Unrestricted	87,033,621	7,931,138	94,964,759	1,176,536
Total Net Position	\$ 638,315,807	\$ 67,349,359	\$ 705,665,166	\$ 1,620,611

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



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Clayton County Water Authority
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water and Sewer	Stormwater	Total	Foundation, Inc.
Operating Revenues:				
Charges for Sales and Services:				
Sale of Water	\$ 61,730,563	\$ -	\$ 61,730,563	\$ -
Sewer Service	53,384,520	-	53,384,520	-
Stormwater Fees	-	10,784,574	10,784,574	-
Tapping Fees	555,362	-	555,362	-
Penalties and Reconnect Charges	4,181,480	169,471	4,350,951	-
Sale of Pellets, Timber and Materials	55,781	1,466	57,247	-
Other Operating Revenues	717,380	-	717,380	1,000
Total Operating Revenues	\$ 120,625,086	\$ 10,955,511	\$ 131,580,597	\$ 1,000
Operating Expenses:				
Water	\$ 16,104,505	\$ -	\$ 16,104,505	\$ -
Sewer	20,746,052	-	20,746,052	-
Stormwater	-	2,826,285	2,826,285	-
Indirect	13,937,835	2,736,850	16,674,685	-
Administrative	27,564,523	-	27,564,523	36,307
Depreciation	21,593,790	1,614,957	23,208,747	10,077
Total Operating Expenses	\$ 99,946,705	\$ 7,178,092	\$ 107,124,797	\$ 46,384
Operating Income (Loss)	\$ 20,678,381	\$ 3,777,419	\$ 24,455,800	\$ (45,384)
Nonoperating Revenues (Expenses):				
Interest Income	\$ 577,313	\$ 4,383	\$ 581,696	\$ -
Interest Expense	(649,595)	(3,387)	(652,982)	-
Gain of Disposal of Capital Assets and Other	4,970	775,258	780,228	-
Intergovernmental Transfer to Huie Nature Preserve Foundation	-	-	-	-
Other (Net)	(1,350)	(5,000)	(6,350)	-
Total Nonoperating Revenues (Expenses)	\$ (68,662)	\$ 771,254	\$ 702,592	\$ -
Income Before Contributions and Transfers	\$ 20,609,719	\$ 4,548,673	\$ 25,158,392	\$ (45,384)
Capital Contributions:				
Impact Fees	\$ 1,708,896	\$ -	\$ 1,708,896	\$ -
Subdividers and Developers	2,543,069	607,006	3,150,075	-
Other Governments	1,190,251	-	1,190,251	-
Transfers In	1,111,050	-	1,111,050	-
Transfers Out	-	(1,111,050)	(1,111,050)	-
Change in Net Position	\$ 27,162,985	\$ 4,044,629	\$ 31,207,614	\$ (45,384)
Net Position - Beginning	\$ 611,152,822	\$ 63,304,730	\$ 674,457,552	\$ 1,665,995
Net Position - Ending	\$ 638,315,807	\$ 67,349,359	\$ 705,665,166	\$ 1,620,611

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



STATEMENT OF CASH FLOWS

Clayton County Water Authority
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water and		
	Sewer	Stormwater	Total
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 116,885,654	\$ 11,455,300	\$ 128,340,954
Cash Paid to Suppliers	(37,143,224)	(4,454,131)	(41,597,355)
Cash Paid to Employees	(29,262,259)	(1,742,375)	(31,004,634)
Net Cash Provided by Operating Activities	\$ 50,480,171	\$ 5,258,794	\$ 55,738,965
Cash Flows from Noncapital Financing Activities:			
Transfers from Other Funds	\$ 1,111,050	\$ -	\$ 1,111,050
Transfers to Other Funds	-	(1,111,050)	(1,111,050)
Net Cash Provided by (Used In) Noncapital Financing Activities	\$ 1,111,050	\$ (1,111,050)	\$ -
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	\$ (37,319,828)	\$ (6,516,016)	\$ (43,835,844)
Fees Received From Subdividers	1,708,896	-	1,708,896
Principal Paid on Bonds Payable	(18,705,000)	-	(18,705,000)
Principal Paid on Notes Payable	(2,327,337)	-	(2,327,337)
Proceeds from Loans Payable	7,919,856	2,758,432	10,678,288
Interest Paid on Bonds and Loans Payable	(1,676,164)	(3,011)	(1,679,175)
Proceeds from Sale of Capital Assets	121,484	909,300	1,030,784
Fees Received from Other Governments	1,190,251	-	1,190,251
Net Cash Used In Capital and Related Financing Activities	\$ (49,087,842)	\$ (2,851,295)	\$ (51,939,137)
Cash Flows from Investing Activities:			
Interest on investments	\$ 577,313	\$ 4,383	\$ 581,696
Net Cash Provided by Investing Activities	\$ 577,313	\$ 4,383	\$ 581,696
Net Increase in Cash and Cash Equivalents	\$ 3,080,692	\$ 1,300,832	\$ 4,381,524
Cash and Cash Equivalents, April 30, 2022	161,047,802	10,095,467	171,143,269
Cash and Cash Equivalents, April 30, 2023	\$ 164,128,494	\$ 11,396,299	\$ 175,524,793
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 20,678,381	\$ 3,777,419	\$ 24,455,800
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	\$ 21,593,790	\$ 1,614,957	\$ 23,208,747
(Increase) Decrease in Accounts Receivable	327,501	(55,074)	272,427
(Increase) Decrease in Other Receivables	(3,597,263)	554,863	(3,042,400)
(Increase) Decrease in Inventories	(727,260)	-	(727,260)
(Increase) Decrease in Prepaid Items	(1,605)	-	(1,605)
(Decrease) Increase in Accounts Payable	5,050,881	(1,092,624)	3,958,257
(Decrease) Increase in Accrued Liabilities	(167,172)	55,251	(111,921)
(Decrease) Increase in Customer Deposits	(141,977)	-	(141,977)
(Decrease) Increase in Compensated Absences	131,896	9,537	141,433
(Decrease) Increase in Net OPEB Liability	(779,705)	(49,767)	(829,472)
(Decrease) Increase in Net Pension Liability	8,440,397	444,232	8,884,629
(Decrease) Increase in Unearned Revenue	(327,693)	-	(327,693)
Total Adjustments	29,801,790	1,481,375	31,283,165
Net Cash Provided by Operating Activities	\$ 50,480,171	\$ 5,258,794	\$ 55,738,965

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

Continued on next page



Clayton County Water Authority
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water and Sewer	Stormwater	Total
Reconciliation of Cash Presentation to Cash and Cash Equivalents:			
Unrestricted Assets:			
Cash and Cash Equivalents:			
Current	\$ 48,996,354	\$ 11,266,406	\$ 60,262,760
Noncurrent	43,924	-	43,924
Restricted Assets:			
Cash and Cash Equivalents:			
Current	32,125,722	-	32,125,722
Noncurrent	85,511,164	129,892	85,641,056
Total Cash and Cash Equivalents	\$ 166,677,164	\$ 11,396,298	\$ 178,073,462
Non-cash Capital and Related Financing Activities			
Contributions of Capital Assets by Subdividers and Developers	\$ 2,543,069	\$ 607,006	\$ 3,150,075
Total Non-cash Capital and Related Financing Activities	\$ 2,543,069	\$ 607,006	\$ 3,150,075

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





STATEMENT OF FIDUCIARY NET POSITION – OPEB TRUST

Clayton County Water Authority
Statement of Fiduciary Net Position
Other Postemployment Benefits (OPEB) Trust Fund
April 30, 2023

ASSETS

Cash and Cash Equivalents	\$ 216,925
Investments	
Equity - Equity Securities, Exchange Traded Index and Mutual Funds	7,680,325
Fixed Income - Proprietary Funds	2,022,269
Fixed Income - Exchange Traded Index and Mutual Funds	5,220,959
Interest Receivable	28,317
Total Assets	<u>\$ 15,168,795</u>

LIABILITIES

Accounts Payable	\$ -
Total Liabilities	<u>\$ -</u>

NET POSITION

Restricted for Other Postemployment Benefits	<u>\$ 15,168,795</u>
--	----------------------

The accompanying notes are an integral part of this financial statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – OPEB TRUST

Clayton County Water Authority
Statement of Changes in Fiduciary Net Position
Other Postemployment Benefits (OPEB) Trust Fund
For The Fiscal Year Ended April 30, 2023

Additions:

Contributions:	
Employer	\$ 1,268,016
Investment Earnings:	
Interest Income	482,580
Net Appreciation (Depreciation) in the Fair Value of Assets	(184,093)
Total Additions	<u>\$ 1,566,503</u>

Deductions:

Benefits Paid to Participants or Beneficiaries	\$ 1,268,016
Bank Fees and Charges	<u>80,258</u>
Change in Net Position	\$ 218,229

Net Position Restricted for Other Postemployment Benefits:

Beginning of Year	<u>\$ 14,950,566</u>
End of Year	<u>\$ 15,168,795</u>

The accompanying notes are an integral part of this financial statement.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Clayton County Water Authority, Clayton County, Georgia (“CCWA” or “Authority”), have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) 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.

A. ORGANIZATION

The Clayton County Water Authority (“Authority” or “CCWA”), a public body corporate and politic of the State of Georgia, was created on March 7, 1955 by an act of the General Assembly of the State of Georgia to have general supervision and control over the water and sewerage systems of Clayton County, Georgia. As indicated by certain provisions contained in the enabling legislation, the Authority was created to operate independently of Clayton County’s government.

The Clayton County Board of Commissioners is responsible for appointing the Authority’s seven-member Board of Directors. Each Authority board member serves a term of five years in length. Appointments to the Water Authority’s Board are staggered by years and are structured in a manner that limits the possibility of having more than two new members in any one year. Officers of the Board are selected by and serve at the pleasure of the entire Board of Directors for a period of one year. Elected Authority officers include the Chairman, Vice-Chairman and Secretary-Treasurer.

On May 1, 2007, the Authority expanded its functional responsibilities for control over water resources and established a second utility fund to begin recording those transactions related to the provision of stormwater services to the citizens of Clayton County. Pursuant to the terms of an intergovernmental agreement, Clayton County and the cities of Forest Park, Jonesboro, Lake City, Lovejoy, Morrow, and Riverdale conveyed ownership of their stormwater systems to the Authority. In exchange for providing this contributed capital, each of those local jurisdictions was relieved of their maintenance responsibilities.

CCWA is the sole governmental entity in the county responsible for coordinating and maintaining stormwater infrastructure. The conveyed assets were recorded at their estimated fair value on the date of transfer. In May of 2007, CCWA began collecting a separate stormwater user fee based on the amount of impervious surfaces located on a customer’s property to fund the provision of this new service.

B. REPORTING ENTITY

The Authority complies with GASB Statements No. 14, *“The Financial Reporting Entity”* as amended by GASB Statements No. 39 and 61. These statements establish standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

When applying the requirements of these statements, it was determined that the Board of Commissioners does not have the power to remove a member of the Authority’s Board, except in the case of neglect of duty or malfeasance



in office. While the CCWA is required, by statute, to make a quarterly report of its operations to the Board of Commissioners, the enabling legislation contains language to the effect that the Commissioners cannot control or otherwise direct the operations of the Authority.

The Clayton County government does not approve the Authority's annual budgets, it is not liable for any operating deficits, it does not provide any funding to the Authority nor is it legally responsible for the Authority's debt obligations. The County is not entitled to, nor can it access, the economic resources received or held by the Authority. Because of these findings, the Clayton County Water Authority is not considered a component unit of Clayton County for financial reporting purposes.

The primary government of CCWA are two proprietary funds, one to operate a water and sewer utility and one to operate a stormwater utility. The Authority considered all potential component units in determining what organizations should be included in its financial statements due to the Authority's financial accountability to the entity and its operational and financial relationship with the Authority. In conformity with GAAP, the financial statements of CCWA include one component unit, the Huie Nature Preserve Foundation, Inc. ("HNPF" or "Foundation"). HNPF has been included as discretely presented component unit and is reported in a column separate from the Authority's proprietary funds to emphasize that it is legally separate from the Authority. The Foundation does not issue separate financial statements.

The purpose of the Huie Nature Preserve Foundation, Inc. is to operate as a non-profit corporation exclusively for educational and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code. The purpose of the corporation is to solicit and receive donations and maintain a fund to provide outdoor recreation facilities and programs on land owned by the Clayton County Water Authority and with state and federal grant funding the Authority receives for Foundation projects.

Plans to create walking trails, educational play areas for children, and other outdoor activities are envisioned for several acres of land the Authority once used as part of its land application treatment system. The board of directors consists of at least five (5) and no more than seven (7) directors. Within these limits, the board may increase or decrease the number of directors serving on the board. All directors shall be elected to serve a one-year term; however, the term may be extended until a successor has been elected. Directors may serve up to three (3) successive one-year terms. The term of office shall be considered to begin January 1 and end December 31 of the second year in office unless the term is extended until such time as a successor has been elected. CCWA does not have the authority to approve or modify the HNPF's operational and capital budgets, but it does have the ability to control the amount of funding it provides to the Foundation which is significant to its overall operations.

The Authority also utilizes a fiduciary fund which administers the Clayton County Water Authority Other Post-Employment Benefits (OPEB) Trust Fund. This trust was established during the fiscal year ended April 30, 2009. The purpose of this irrevocable IRC §115 trust is for the deposit of monies to pre-fund the cost of future retiree health insurance premiums. The OPEB Trust Fund is reported in the Authority's financial statements as a fiduciary activity. Effective May 1, 2018, the Authority implemented the provisions of *GASB Statement No. 75 Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions – an amendment of GASB Statement No. 45 and 57*, which significantly changed the Authority's accounting for OPEB amounts by requiring that the total net OPEB liability and the deferred inflows and deferred outflows related to the net OPEB liability be reported in its financial statements. The information presented is in accordance with these newer standards.



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

The basic financial statements present separate statements for CCWA's two proprietary funds, Water and Sewer Fund and Stormwater Fund and for its fiduciary fund, the OPEB Trust Fund. The financial statements for the business-type activities of the proprietary funds are also often referred to as enterprise fund financial statements.

"Measurement Focus" is an accounting term used to describe which transactions and types of balances are recorded within the various financial statements. The expression, "Basis of Accounting", refers to when transactions or events are recorded regardless of the measurement focus applied.

The Clayton County Water Authority utilizes two, stand-alone proprietary funds for its business-type activities. The larger of the two, in terms of net position, is the Water and Sewer Fund, which is used to account for water sales activities, wastewater treatment services and the related administrative functions of the Authority. The second one, the Stormwater Fund, is used to account for the delivery of stormwater related services.

Because of the "business-like" characteristics of our operations, the accompanying financial statements for business-type activities reflect the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of the "economic resources" measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Under full accrual accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, or economic asset used, regardless of the timing of the related cash flows. Grants and related items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Authority utilizes enterprise funds to record its financial operating activities. In the practice of governmental accounting, the enterprise fund is used to account for operations that are financed and operated in a manner similar to private business or where the Board of Directors has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

As the means for delivering service to its customers, the Clayton County Water Authority utilizes water production plants, water distribution systems, wastewater reclamation facilities, wastewater collection systems and stormwater collection systems. To provide the funds that are necessary to pay for the provision of these utility services and the related support functions, the Authority charges its customers monthly user fees, which are based on the specific level of services that they are receiving. Because the operations of the Clayton County Water Authority closely mirror those of a typical, commercial company, its accounting records reflect a similar approach for measuring its business activity.

The Authority's various bond resolutions or ordinances require the establishment of certain accounts, which are referred to as "funds". These required accounts are maintained as part of the accounting records of the Water and Sewer Fund. They include the Sinking Fund (Debt Service) and Renewal and Extension Fund (R&E). These are not "funds", as the term is used in generally accepted accounting principles but are separate "accounts" used to delineate the accounting and reporting for bond-related money and repayment security requirements.

The balances and activity that occur in these various accounts represent specific segments of the Water and Sewer enterprise fund, as reported in the Authority's basic financial statements. Additional compliance information about these accounts is presented in a separate set of schedules that follow the basic financial statements.



The two enterprise funds used by the Authority distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the Authority's principal on-going operations. The principal operating revenues are charges to customers for sales and services that are provided to them. The Authority also recognizes, as operating revenue, the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer systems. Operating expenses include the cost of sales 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.

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

CCWA also has a single fiduciary fund, which is the Other Post-Employment Benefits (OPEB) Trust Fund. The financial statements for the fiduciary activities are used to account for the assets held by CCWA, in trust, for the payment of future retiree health insurance benefits. The assets of the Other Postemployment Benefits (OPEB) Trust Fund cannot be used to support the Authority's operations.

The Authority's fiduciary fund financial statements are also reported using the economic resources measurement focus and the accrual basis of accounting.

D. ASSETS, LIABILITIES AND NET POSITION

CASH, CASH EQUIVALENTS, AND INVESTMENTS

The Authority's Cash and Cash Equivalents are cash on hand, demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition. More specifically, short-term investments are in the form of shares in a U. S. Treasury Securities Money Market Fund that has the general characteristics of a demand deposit account in that the Authority may deposit and withdraw cash at any time and without prior notice or penalty.

The fiscal policies adopted by the Authority's Board of Directors require all funds that are idle for any period be invested. In terms of general requirements, these investments are to be made in federal or state government instruments or repurchase agreements, which are insured or collateralized, according to State statutes.

State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the United States government, or bonds of public authorities, counties, or municipalities. The collateral pledged by the banks' trust departments is held in a custodian bank, as part of the State of Georgia's collateral pool, a multibank pledging pool program referred to as the Secure Deposit Program. Pursuant to O.C.G.A §§50-17-50 through 50-17-60; 45-8-1 through 45-8-13.1, this Program was established on April 18, 2017 by the State Depository Board of Georgia with policies and procedures related to the operation of a multibank pool, including defining eligible collateral, collateral limits, schedule of fees charged to covered depositories and a formula to calculate different collateralization tiers and reporting requirements. The collateral that is in the pool is composed of various obligations of the United States government and the sufficiency of the pooled investments is monitored by the Georgia Office of Treasury and Fiscal Services (OTFS).

Under the bond resolutions, which are more restrictive as to types of investments, moneys in the Sinking Fund, and the Renewal and Extension Fund, may only be invested in securities that are direct and general obligations of the



United States of America or are guaranteed by the United States of America, as to both principal and interest. These investments must mature within twenty-four months after the date of purchase or be redeemable at the option of the holder.

Investments for the Authority are reported at fair value. Pursuant to the requirements set forth in the bond resolutions, the investment of certain idle funds has been made into U. S. Treasury Money Market Funds. The reported value of the money market fund is the same as the fair value of the fund shares.

RECEIVABLES

Accounts receivables are stated at face amount, net of an allowance for doubtful accounts. The amount recognized as an uncollectible balance is based on an aging schedule of accounts and historical collection patterns. On April 30, 2023, the allowance for doubtful accounts was \$174,509 and \$32,020 for the Water and Sewer Fund and the Stormwater Fund, respectively. Unbilled receivables represent income earned during the current year but not yet billed to the customer.

INTERFUND RECEIVABLES AND PAYABLES

During the normal course of operations, numerous transactions occur between the two enterprise funds that result in amounts owed between funds. Those related to goods and service type transactions are classified as "Interfund Receivables and Payables".

INVENTORIES AND PREPAID ITEMS

The inventory of the Authority consists of pipe and fittings intended for use in construction of water and sewer line extensions. Also included are materials and supplies to support maintenance work on the various distribution and collection systems, as well as, to maintain the vehicles and equipment used in system operations. All inventories maintained by the Authority are valued using the weighted average cost method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. An example of a prepaid item for the Authority is property and liability insurance premiums.

RESTRICTED ASSETS

Some of the Authority's assets have certain constraints that have been placed on how they can be used. Restricted assets are cash or other assets whose use in whole or in part is restricted for specific purposes bound by contractual agreements, legal requirements, or enabling legislation.

Certain proceeds of the Authority's revenue bond, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "*debt service*" accounts are used to segregate resources accumulated for debt service payments over the next twelve months. The "*debt service reserve*" account is used to report resources set aside to make up potential future deficiencies in the debt service accounts. The "*renewal and extension*" account is used to report resources set aside and committed to fund asset renewals, replacements, and extensions.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., water distribution systems, sewer collection systems, stormwater collection systems, dams, and related items) are reported as a component of



noncurrent assets in the basic financial statements. Capital assets are defined by the Authority as being those assets with an initial individual cost of more than \$5,000 and an estimated useful life longer than 12 months. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed.

Donated capital assets are recorded at estimated acquisition value at the date of donation. Historically, the Authority has received significant donations of water distribution and sewage collection lines from developers. In more recent periods, donations of stormwater infrastructure are received infrequently.

The reported value excludes the costs of normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

During fiscal year 2008, the Authority engaged an independent appraisal firm to value the stormwater assets that were transferred by the County and six municipalities. These infrastructure systems were valued at roughly \$52.4 million and were recorded as capital contributions at their estimated fair value at May 1, 2007.

Depreciation is charged as an expense against operations monthly. Capital assets of the Authority are depreciated using the straight-line method over the following estimated useful lives in years:

General Classification of Capital Assets	Life Years
Buildings and Structures	30 to 40
Operating and Maintenance Equipment	5 to 10
Field Equipment	5 to 10
Road Equipment	5 to 10
Piping	25 to 75
Technology and Office Equipment	5 to 10
Furniture and Fixtures	10
Purchased System	30 to 40
Stormwater Structures	25

Major outlays for capital assets and improvements are capitalized, as projects are constructed. Construction in progress represents cost accumulated for the replacement of sections of the Authority's transmission and distribution systems; collection systems; plant construction, expansions, and rehabilitation; stormwater structures and other projects that were not completed at year-end.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has three items that qualify for reporting in this category and reported in the Statement of Net Position; the deferred charge on refunding, the deferred outflows of resources related to pension and the deferred outflows of resources related to OPEB. A deferred charge on refunding of debt results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows and inflows related to the changes in the net pension liability and to changes in net OPEB liability are discussed below.



In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The Authority has two items that qualify for reporting in this category and reported in the Statement of Net Position: the deferred inflows of resources relating to pension and the deferred inflows of resources relating to OPEB.

The Authority has deferred inflows and deferred outflows related to the recording of changes in its net pension liability and its net OPEB liability. Certain changes in the net pension liability and net OPEB liability are recognized as pension expense and OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the pension 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 service life of plan members. Experience losses result from periodic studies by the Authority's actuary, which adjust the net OPEB liability for actual experience for certain trend information that was previously assumed. Changes in actuarial assumptions which adjust the net pension liability are also 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. The difference between projected investment return on pension investment and the actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the Authority to the pension and OPEB plan before year-end but subsequent to the measurement date of the Authority's net pension liability and net OPEB liability are reported as deferred outflows of resources.

PENSION AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)

For purposes of measuring the net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension expense and OPEB expense, information about the fiduciary net position of the Clayton County Public Employees Retirement System (the "Retirement Plan") and the Clayton County Water Authority's Post-Employment Health Care Plan (the "OPEB Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

Effective May 1, 2015, the Authority implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and *Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the Authority's accounting treatment of pensions. The information presented is in accordance with these newer standards.

Effective May 1, 2018, the Authority adopted a new accounting standard issued by Government Accounting Standards Board (GASB): *GASB Statement No. 75 Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions – an amendment of GASB Statement No. 45 and 57*, which significantly changed the Authority's accounting for OPEB amounts. The information presented is in accordance with these newer standards.



COMPENSATED ABSENCES

It is the Authority's policy to permit its employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Authority does not have a policy to pay any amounts when employees separate from service with CCWA. The unused vacation or annual leave is considered a vested employee benefit.

In recognition of the resulting obligation, the Authority has accrued a liability for future vacation leave, having determined that payment of such compensation is probable and having developed a reasonable estimate based upon current salary costs and annual leave balances as of April 30. In reviewing historical usage patterns, a three-year average of annual leave usage was determined and utilized as the basis of the current portion of the Authority's compensated balances liability. The remainder is classified as a noncurrent liability on April 30.

LONG-TERM OBLIGATIONS

The Authority has issued revenue bonds and taken out loans to finance the expansion of the water and sewer systems. The outstanding balances for each of these long-term obligations are reported as liabilities on the statement of net position. The amount of the obligation, which is due within one year, is shown as a current liability and the balance is shown as a noncurrent liability.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which is not materially different than the effective interest rate. Bonds payable are reported net of the applicable bond premiums or discounts.

The difference between the carrying amount of the bonds that have been refunded and their reacquisition price is also recognized as a deferred charge in the Authority's accounting records. This amount, which represents the gain or loss on the transaction, is amortized using the straight-line method over the shorter of the life of the new debt or the life of the old debt, had it not been refunded.

Debt service payments, a pro rata portion of principal and interest, are transferred from the Water and Sewer account to the Debt Service account monthly. Interest expense is accrued monthly, and the payment of principal and interest is recorded when disbursements have been made by the paying agent.

NET POSITION

The Clayton County Water Authority's financial statements are being presented in conformance with provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63 *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"* (GASB 63). As required by GASB 63, the Authority has classified net position into three components: net investment in capital assets, restricted, and unrestricted. These classifications of Net Position are defined as follows:

- **Net investment in capital assets:** This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in



capital assets. Instead, that portion of the debt is included in the same net position component as the unspent proceeds.

- **Restricted:** This component of net position consists of constraints placed on net position through external restrictions imposed by creditors (e.g., debt covenants), grantors, contributors, laws, or regulations of other governments. This component would also include constraints imposed by law through constitutional provisions or enabling legislation. A description of the restrictions and related amounts as of April 30, 2023 are shown in the following table:

Type of Restriction	Water and Sewer Fund	Stormwater Fund	Total
Bond Covenants:			
Debt Service	\$ 20,771,970	\$ -	\$ 20,771,970
Renewal and Extension	1,500,000	-	1,500,000
Working Capital	500,000	-	500,000
Escrow Agreement	-	129,892	129,892
Total Restricted Net Position	\$ 22,771,970	\$ 129,892	\$ 22,901,862

- **Unrestricted:** This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”. Generally, this represents those financial resources that are available to the Authority to meet any future obligations that might arise.

The Authority applies restricted resources first, when an expense is incurred, for which both restricted and unrestricted net position is available.

E. REVENUES AND EXPENSES

OPERATING AND NONOPERATING REVENUES AND EXPENSES

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. These types of funds function similarly to business-type operations. The principal operating revenues of the Authority’s Water and Sewer Fund and its Stormwater Fund are charges to customers for sales and services. The Water and Sewer Fund also recognizes the portion of tap fees intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

F. CONTINGENCIES

Liabilities from loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources, are recorded when information available before the financial statements are issued indicates that it is probable that an asset has been impaired, or a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. When the reasonable estimate of the loss is a range, and when no amount within the range is a better estimate than any other amount, the Authority accrues a loss for the average the range.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, deferred



outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Authority prepares annual operating budgets for the managerial control of expenditures and for the monitoring of cash flows during the fiscal year. Project-length budgets, which generally encompass more than one fiscal year, are also prepared for major construction projects and the renewal and extension account. Both the operating and project-length expenditure plans are prepared on the modified accrual basis of accounting, which significantly differs from the accrual basis of accounting that the Authority uses in the preparation of its financial statements.

These managerial budgets that are prepared for operations each year, or at the inception of a major construction project, and are not adopted by the Board of Directors as legally imposed restrictions on expenditures. Rather, the operating budgets provide management with a tool for estimating and monitoring cash flows in each fiscal period. Accordingly, budgetary comparisons are not presented in the accompanying financial statements.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

The table below summarizes the Statement of Net Position classification of the Authority's cash and cash equivalents for the business-type activities on April 30, 2023. As indicated in the presentation by classification, 66 percent of the deposits and investment balances represent restricted assets.

ANALYSIS OF CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents is defined as cash on hand, cash in the bank and cash invested in U.S. Treasury money market funds. The Authority's cash and cash equivalents include both unrestricted and restricted components.

The carrying amount of the Authority's cash deposits and cash equivalents, on April 30, 2023, is presented below. The table provides a breakdown of the balances between the cash and investment components and is also classified by general type.

	Water and Sewer Fund	Stormwater Fund	OPEB Trust	Total	Huie Nature Preserve Foundation, Inc.
Cash and Cash Equivalents:					
Unrestricted	\$ 49,040,278	\$ 11,266,406	\$ -	\$ 60,306,684	\$ 1,242,509
Restricted	117,636,886	129,892	216,925	117,983,703	-
Total Cash and Cash Equivalents	\$ 166,677,164	\$ 11,396,298	\$ 216,925	\$ 178,290,387	\$ 1,242,509



	Demand Deposits	Cash on Hand	Investments	Total Balances
Unrestricted:				
Water and Sewer:				
Current	\$ 48,987,954	\$ 8,400	\$ -	\$ 48,996,354
Noncurrent	43,924	-	-	43,924
Stormwater:				
Current	11,266,406	-	-	11,266,406
Noncurrent	-	-	-	-
Restricted:				
Water and Sewer:				
Debt Service	-	-	20,054,125	20,054,125
Debt Service Reserve	-	-	717,845	717,845
Construction	2,758,554	-	-	2,758,554
Renewal and Extension	88,405,218	-	-	88,405,218
Customer Deposits	5,701,144	-	-	5,701,144
Stormwater:				
Escrow	129,892	-	-	129,892
Other Post Employment Benefit Trust:				
Trust	216,925	-	-	216,925
Total Cash and Cash Equivalents	\$ 157,510,017	\$ 8,400	\$ 20,771,970	\$ 178,290,387
	Demand Deposits	Cash on Hand	Investments	Total Balances
Unrestricted:				
Huie Nature Preserve Foundation, Inc.:				
Current	\$ 1,242,509	\$ -	\$ -	\$ 1,242,509
Noncurrent	-	-	-	-
Total Cash and Cash Equivalents	\$ 1,242,509	\$ -	\$ -	\$ 1,242,509

DEMAND DEPOSITS

CUSTODIAL CREDIT RISK

Demand deposits are insured by the FDIC up to \$250,000, so there is a risk that in the event of a bank failure, the Authority may lose a portion of its deposits. CCWA does not have a specific deposit policy which covers custodial credit risk. However, the statutes of the State of Georgia require that the depository bank pledge acceptable collateral, in an amount equal to 110% of the balance, in excess of the Federal Depository Insurance. Another way that the Authority minimizes this risk is that its staff reviews the bank safety ratings that are prepared by external rating agencies for each proposing bank as part of the periodic process of selecting a principal depository.

INVESTMENTS

INTEREST RATE RISK

When investing idle funds, there is the risk that changes in interest rates will adversely affect the fair value of that investment. The revenue bond resolutions limit the term of investments held by the Authority to twenty-four months after the date of their purchase or redeemable at the option of the holder. The Authority does not currently have an investment policy that limits its exposure to fair value losses by establishing a specific threshold for maturity timeframes. However, the Authority does have a policy that requires that the portfolio will be structured to meet cash flow requirements for ongoing operations; thereby, avoiding the need to sell securities on the open market prior to maturity.



On April 30, 2023, all the Authority's investments were in the First American Treasury Obligations Money Market Fund, which holds market instruments maturing in 397 days or less. The average maturity of the fund's investments, on a dollar-weighted basis, is 90 days or less. This money market fund also provides the Authority with the option of removing any or all its invested funds with one-day notice.

CREDIT RISK

There is also the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The statutes of the State of Georgia authorize the Authority to invest in U.S. Government obligations; U.S. Government agency obligations; State of Georgia obligations; obligations of counties, municipal corporations and political subdivisions of the State of Georgia, which are rated "A" or better by Moody's Investors Services, Inc.; negotiable certificates of deposits issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by U.S. Government or agency obligations and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

While the State statutes were drafted to minimize this type of risk, the terms of the revenue bond resolutions are even more restrictive. These covenants provide that funds in the Sinking Fund and the Renewal and Extension Fund may only be invested in securities that are direct and general obligations of the United States of America or are guaranteed by the United States of America, as to both principal and interest.

On April 30, 2023, all the investments of the Authority were in the First American Treasury Obligations Money Market Fund. This external investment pool complies with the Securities and Exchange Commission (SEC) regulations that apply to money market funds. The money market fund is rated Aaa, Aaa-mf, AAA and AAAM by Moody's, Standard & Poor's and Fitch, respectively. U.S. Treasuries carry the explicit guarantee of the U.S. government.

CONCENTRATION OF CREDIT RISK

In addition, there is the risk of loss attributed to the magnitude of the Authority's investment in a single issuer. Given the relative safety of those investment instruments that CCWA can purchase, the policies of the Authority do not place a limit on the amount that may be invested in any one issuer. On April 30, 2023, the Authority had all its investments in U.S. government securities, which are considered to have minimal risk because of the issuer.

BALANCES

The carrying amount of the investment balances, as of April 30, 2023, was maintained in U.S. Treasury money market funds – First American Treasury Obligations Money Market Fund. GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, allows governmental entities to report money market investments at amortized cost. Since these investments are purchased as institutional shares and are not evidenced by securities that exist in physical or book entry form, they are not classified by category of credit risk. The value of the pooled investment at its actual pooled share price, which approximates fair value, was \$20,771,970.

INVESTMENTS OF THE FIDUCIARY-TYPE ACTIVITIES

The investments of the Other Post-Employment Benefit Trust ("Trust") must be made in accordance with State of Georgia, Title 47, Chapter 20, Article 7 (47-20-83). Accordingly, the Trust's policy provides for investment in the following: (1) obligations of the United States and its agencies; (2) highly-rated obligations of any state of the United States or of any political subdivision, authority, or agency thereof; (3) corporations or obligations of corporations



organized under the state or any other state or under the laws of Canada; (4) corporations or obligations of corporations organized in a foreign country provided that such investment is deemed investment-grade by the United States Securities and Exchange Commission (SEC) or (5) shares or other interest in custodial arrangements or pools maintained in highly-rated money market and mutual funds whose portfolios are limited to obligations or investments previously noted.

Investments	4/30/2023	Average Credit Quality	Weighted Average Maturity (Yrs)
Cash Equivalents	\$ 216,925	AAA	0.50
Mutual Funds - Fixed Income - Proprietary	2,022,269	AA	9.00
Mutual Funds - Fixed Income	1,537,947	BBB	11.49
Mutual Funds - Fixed Income	1,448,697	BBB	9.22
Mutual Funds - Fixed Income	703,474	BB	11.26
Mutual Funds - Fixed Income	90,196	BB	11.75
Exchange Traded Index Funds - Fixed Income	1,261,075	AA	8.75
Exchange Traded Index Funds - Fixed Income	179,570	AAA	2.00
Exchange Traded Index - Equity	2,372,555	-	-
Equity Securities	2,800,695	-	-
Mutual Funds - Equities	2,507,075	-	-
Total Investments Measured at Fair Value	\$ 15,140,478		

INTEREST RATE RISK

When investing idle funds, there is the risk that changes in interest rates will adversely affect the fair value of that investment. The Trust has structured its investment portfolio to meet the longer-term objectives of funding future benefits by investing in liquid investments that provide the potential for long-term appreciation. The Trust seeks to protect the principal and minimize interest rate risk by guiding the investment parameters or asset allocations. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Trust invests in mutual funds and exchange traded index funds. This practice mitigates most of the interest rate risk associated with these types of investments because the Trust can terminate its investment within 24 to 48 hours without penalty. On April 30, 2023, \$15,140,478 was held in cash equivalents, mutual or exchange index funds and therefore not exposed to interest rate risk.

The OPEB Trust Fund investment policy adopts the following asset mix to achieve the lowest level of risk for the plan: The overall target of allocation is split at 50 percent each equity and fixed income, managed within 10 percent of the target range. The policy benchmark is 35% *Russell 3000*/50% *Bloomberg US Aggregate Bond Index*/15% *MSCI ACWI Ex USIMI NR*. As of April 30, 2023, the fixed income investments had an average effective duration of 9.34 years compared to the Bloomberg-Barclays Aggregate Bond Index of 8.75 years. The average credit quality of the portfolio was "A" equivalent to the benchmark of "A".

FAIR VALUE MEASUREMENTS

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.



The Authority has the following Trust investments recurring fair value measurements as of April 30, 2023. The exchange traded index funds and mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

Investments	Cost	Fair Value Measurement Using			Fair Value	Allocation
		Level 1	Level 2	Level 3		
Exchange Traded Index Funds - Equity	\$ 2,472,580	\$ 2,372,555	\$ -	\$ -	\$ 2,372,555	15.9%
Exchange Traded Index Funds - Fixed Income	1,613,305	1,440,645	-	-	1,440,645	9.7%
Equity Securities	2,819,911	2,800,695	-	-	2,800,695	18.8%
Proprietary Funds - Fixed Income	2,277,932	2,022,269	-	-	2,022,269	13.6%
Mutual Funds - Equity	2,848,442	2,507,075	-	-	2,507,075	16.8%
Mutual Funds - Fixed Income	4,362,632	3,780,314	-	-	3,780,314	25.3%
Total Investments	\$ 16,394,802	\$ 14,923,553	\$ -	\$ -	\$ 14,923,553	100.1%

CUSTODIAL CREDIT RISK

In the case of investments, there is a risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments that are in the possession of an outside party. To protect the beneficiaries of the trust from this risk, the Authority has created a custodial relationship, regarding these monies, with the trust department of its principal depository. Under this trust arrangement, these monies are not subject to the general creditors of the bank. The Authority also mitigates this risk through portfolio diversification, target asset allocations and ongoing investment advisor and investment committee review.

CONCENTRATION OF CREDIT RISK

In addition, there is the risk of loss attributed to the magnitude of investment in a single issuer. The Board of Trustees has not adopted a policy of placing a limit on the amount that may be invested in any one issuer. On April 30, 2023 the Trust had investments in money market, mutual and exchanged traded funds as well as in separately managed portfolios. These securities represent diversified portfolios of what are considered investment grade instruments with no individual holding having more than 13.4% of the total portfolio assets.

RATE OF RETURN

For the year ended April 30, 2023, the annual rate of return for the OPEB investment portfolio was 1.61 percent compared the custom client policy benchmark the policy benchmark (75 percent Russell 3000/25 percent MSCI ACWI ex US/50 percent Barclays Aggregate Index) of 0.97 percent. The three-year return on the portfolio was 5.92 percent compared to the benchmark 5.03 percent and the return on the Inception to date (October 1, 2012) of 6.56 percent compared to the benchmark 6.26 percent.

FOREIGN CURRENCY RISK

On April 30, 2023, investments with exposure to foreign currency risk totaled \$2,761,116 or 16.0 percent of total the Other Post-Employment Benefit (OPEB) portfolio.



NOTE 4: ACCOUNTS RECEIVABLE

The Accounts Receivable balance represents amounts due from customers for water, sewer and stormwater services that have been provided by the Authority. It includes amounts for services that have been billed, prior to April 30, but not yet received and the estimated amount for water and sewer services that was provided between the last billing date and April 30. With water meters being read on a cyclical basis throughout the month, there is a normal lag time between when the water and sewer services are provided and when the customer is billed. With the monthly stormwater charges being included on the water and sewer bills to reduce administrative expenses, they are for stormwater services provided during the month of the billing regardless of the cycle within which they fall.

The components of the accounts receivable balances for April 30, 2023 are shown in the table that follows.

	Water and Sewer		Stormwater		
	Fund		Fund		Total
Outstanding Customer Billings	\$	6,224,448	\$	699,372	\$ 6,923,820
Estimated Unbilled Services Provided		9,396,986		-	9,396,986
Less: Allowance for Doubtful Accounts		(174,509)		(32,020)	(206,529)
Net Accounts Receivable	\$	15,446,925	\$	667,352	\$ 16,114,277

NOTE 5: INTERFUND TRANSFERS

During the fiscal year ended April 30, 2023, the Stormwater Fund transferred \$1,111,050 to the Water and Sewer Fund for its pro rata portion of certain administrative expenses paid directly by the Water and Sewer Fund. These reimbursed administrative costs, necessary to the operations of the Stormwater Fund, include billing, collections, financial reporting, technology, and human resources.



NOTE 6: CAPITAL ASSETS

COMPOSITION AND VALUATION

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest during construction is expensed in the fiscal period incurred. Interest expense is not capitalized as a cost of the assets when construction is completed, and the assets are placed in service.

WATER AND SEWER FUND

For the Water and Sewer Fund, the activity for each of the major classes of utility capital assets and accumulated depreciation for the fiscal year ended April 30, 2023, is shown in the table that follows. As indicated by the total found at the bottom of the table, net capital assets totaled \$592,338,207 and increased by \$18,207,980, or 3.2 percent, during the 2023 fiscal year.

Capital Assets by Major Class:	April 30, 2022	Increases	Transfers	Decreases	April 30, 2023
Capital Assets, Not Being Depreciated:					
Land and Easements	\$ 30,378,082	\$ 681	\$ 104	\$ (600)	\$ 30,378,267
Construction in Progress	58,944,066	33,613,638	-	(19,583,049)	72,974,655
Total Capital Assets, Not Being Depreciated:	\$ 89,322,148	\$ 33,614,319	\$ 104	\$ (19,583,649)	\$ 103,352,922
Capital Assets, Being Depreciated:					
Building and Structures	\$ 199,262,665	\$ 260,617	\$ 169,900	\$ -	\$ 199,693,182
Operating and Maintenance Equipment	90,039,752	915,634	112,350	(134,954)	90,932,782
Field Equipment	57,489,586	2,429,059	79,896	(210,842)	59,787,699
Road Equipment	8,089,889	712,234	-	(184,733)	8,617,390
Piping	398,512,387	19,709,189	(364,800)	(999)	417,855,777
Technology and Office Equipment	18,725,627	374,059	-	(1,385)	19,098,301
Furniture and Fixtures	2,590,331	37,679	2,550	(8,676)	2,621,884
System Franchises and Engineering Studies	90,501,751	1,414,089	-	-	91,915,840
Total Capital Assets, Being Depreciated	\$ 865,211,988	\$ 25,852,560	\$ (104)	\$ (541,589)	\$ 890,522,855
Less: Accumulated Depreciation For:					
Building and Structures	\$ 97,771,738	\$ 5,154,557	\$ -	\$ -	\$ 102,926,295
Operating and Maintenance Equipment	44,880,592	3,195,337	-	(62,576)	48,013,353
Field Equipment	44,559,301	1,586,950	-	(202,392)	45,943,859
Road Equipment	7,029,559	510,323	-	(184,733)	7,355,149
Piping	129,571,543	5,893,775	-	(367)	135,464,951
Technology and Office Equipment	12,233,802	1,811,498	-	(1,385)	14,043,915
Furniture and Fixtures	2,151,499	63,682	-	(8,676)	2,206,505
System Franchises and Engineering Studies	42,205,875	3,377,668	-	-	45,583,543
Total Accumulated Depreciation	\$ 380,403,909	\$ 21,593,790	\$ -	\$ (460,129)	\$ 401,537,570
Capital Assets, Net	\$ 574,130,227	\$ 37,873,089	\$ -	\$ (19,665,109)	\$ 592,338,207



STORMWATER FUND

For the Stormwater Fund, the major classes of utility capital assets and accumulated depreciation on April 30, 2023 are shown in the table below. As indicated by the total found at the bottom of the table, net capital assets totaled \$63,368,027 and increased by \$5,300,927, or 5.1 percent, during the 2023 fiscal year.

Capital Assets by Major Class:	April 30, 2022	Increases	Transfers	Decreases	April 30, 2023
Capital Assets, Not Being Depreciated:					
Land and Easements	\$ 1,961,183	\$ 9,922	\$ -	\$ -	\$ 1,971,105
Construction in Progress	2,278,923	6,474,719	-	(4,234,488)	4,519,154
Total Capital Assets, Not Being Depreciated:	\$ 4,240,106	\$ 6,484,641	\$ -	\$ (4,234,488)	\$ 6,490,259
Capital Assets, Being Depreciated:					
Building and Structures	\$ 750,973	\$ -	\$ -	\$ -	\$ 750,973
Operating and Maintenance Equipment	136,335	-	-	-	136,335
Field Equipment	1,377,782	-	-	-	1,377,782
Road Equipment	1,615,580	14,875	-	-	1,630,455
Piping	155,540,732	4,750,242	-	-	160,290,974
Technology and Office Equipment	176,508	16,500	-	-	193,008
Furniture and Fixtures	101,891	-	-	-	101,891
System Franchises and Engineering Studies	918,286	91,251	-	(207,138)	802,399
Total Capital Assets, Being Depreciated	\$ 160,618,087	\$ 4,872,868	\$ -	\$ (207,138)	\$ 165,283,817
Less: Accumulated Depreciation For:					
Building and Structures	\$ 265,534	\$ 19,999	\$ -	\$ -	\$ 285,533
Operating and Maintenance Equipment	114,789	1,217	-	-	116,006
Field Equipment	857,022	104,580	-	-	961,602
Road Equipment	1,196,599	194,960	-	-	1,391,559
Piping	104,096,750	1,242,177	-	-	105,338,927
Technology and Office Equipment	121,799	21,290	-	-	143,089
Furniture and Fixtures	72,040	6,839	-	-	78,879
System Franchises and Engineering Studies	66,560	23,895	-	(1)	90,454
Total Accumulated Depreciation	\$ 106,791,093	\$ 1,614,957	\$ -	\$ (1)	\$ 108,406,049
Capital Assets, Net	\$ 58,067,100	\$ 9,742,552	\$ -	\$ (4,441,625)	\$ 63,368,027

CONSTRUCTION COMMITMENTS

Total construction commitments outstanding for construction in process as of April 30, 2023 were \$23,037,912. There will be sufficient funds available for completion of the construction in process and other planned projects because contracts are not approved by the Board of Directors and signed until the cash is in hand for the stated amount of each contract or project commitment.



NOTE 7: LONG-TERM OBLIGATIONS

LOANS PAYABLE

PURPOSE

WATER AND SEWER FUND

The Georgia Environmental Finance Authority (GEFA) is a State of Georgia agency that offers low interest financing to other political subdivisions for their water and sewer capital needs. On October 3, 2002, the Authority entered into an agreement with GEFA to provide funding for the installation of backflow prevention devices on approximately 45,000 water meters.

Based on the actual reimbursable costs that were incurred on the backflow project, the final amount of the loan was \$4,244,307. The obligation has a simple interest rate of 3.0 percent and was closed at the end of the 2006 fiscal year. Beginning on June 1, 2006, the Authority began making the first of 238 monthly payments of \$23,611. The final payment, which will occur on March 1, 2026, will be \$22,641. On April 30, 2023, the outstanding principal balance was \$767,717.

On May 21, 2003, the Authority entered into a second agreement with GEFA to provide funding for the construction of wetlands at the Huie land application site. This constructed wetland project includes a flow distribution structure, approximately 13,500 feet of pipeline and the construction of a 55-acre wetlands wastewater treatment system, with inlet and outlet structures.

Based on the actual reimbursable costs that were incurred on the constructed wetlands project, the final amount of the loan was \$7,682,558. The debt obligation has a simple interest rate of 3.0 percent and was closed in January of 2006. Beginning on February 1, 2006, the Authority began making the first of 237 monthly payments of \$42,737. Due to a calculation error in the original amortization schedule, the payment amount was revised on February 1, 2007 to \$42,860. The final payment, which will occur on November 1, 2025, will be \$142. On April 30, 2023, the outstanding principal balance was \$1,197,537.

In January 2017, GEFA approved a \$25,000,000 Clean Water loan to fund a portion of the Authority's "Large Sewer Outfall Replacement" initiative. The interest rate on this loan is 0.65 percent. The loan was executed on June 29, 2017. The total amount of the loan was disbursed and on August 1, 2021, the loan went into repayment making the first of 180 monthly fixed principal and interest payments of \$145,807. The final payment of \$145,807 will be due on July 1, 2036. On April 30, 2023, the outstanding principal balance was \$22,073,546.

In January 2020, GEFA approved a second \$25,000,000 Clean Water loan to fund additional "Large Sewer Outfall Replacement" projects. The interest rate on this loan is 0.57 percent. The loan was executed on June 22, 2020. During fiscal year 2023, disbursements totaling \$7,912,098 were made and the outstanding principal balance of this loan as of April 30, 2023 was \$13,985,462. Interest only payments were made monthly on the outstanding principal balance during the construction phase and totaled \$46,694 for this fiscal year.

In May 2021, GEFA approved the first of two \$50,000,000 loans for a \$100 million biosolids renovation at its WB Casey Water Reclamation Facility. The interest rate on this loan is 0.13 percent. The loan was executed on November 12, 2021. If the entire proceeds are drawn, there will be 240 monthly fixed principal and interest payments of \$211,065 each. During fiscal year 2023, disbursements totaling \$2,556,427 were made. The outstanding principal balance of this



loan on April 30, 2023 was \$2,626,829. Interest only payments were made monthly on the outstanding principal balance during the construction phase and totaled \$529 for the year.

In May 2022, GEFA awarded the second of two \$50,000,000 loans for a \$100 million biosolids renovation at its WB Casey Water Reclamation Facility. The interest rate on this loan is 0.13 percent. This loan will be executed in November 2022. If the entire proceeds are drawn, there will be 240 monthly fixed principal and interest payments of \$211,065 each. No disbursements were received during fiscal year 2023 and this loan had no principal balance as of April 30, 2023.

STORMWATER FUND

In May 2021, GEFA awarded a \$10,000,000 to the Stormwater Fund for major culvert repairs and replacements needed throughout the County. The interest rate on the loan is 0.13 percent. The loan was executed on August 6, 2021. If all the proceeds are drawn, there will be 240 monthly fixed principal and interest payments of \$42,213. Disbursements of \$2,758,432 were made during fiscal year 2023. Interest only payments were made monthly on the outstanding principal balance during the construction phase and totaled \$3,387 for the year. On April 30, 2023, the outstanding principal balance on this loan was \$4,079,699.

LOANS OUTSTANDING

As of April 30, 2023, the Authority's Water and Sewer Fund was obligated to make monthly payments of principal and interest on the three GEFA loans in repayment, as follows:

For Fiscal Years Ending April 30,	Principal	Interest	Total Payments
2024	\$ 2,359,798	\$ 187,536	\$ 2,547,334
2025	2,393,210	154,124	2,547,334
2026	2,076,833	122,433	2,199,266
2027	1,642,718	106,970	1,749,688
2028	1,653,427	96,261	1,749,688
2029-2033	8,430,239	318,200	8,748,439
2034-2037	5,482,575	58,103	5,540,678
Total	\$ 24,038,800	\$ 1,043,627	\$ 25,082,427

A fourth GEFA loan for additional large sewer outfall replacement projects is in the construction phase and had an outstanding principal balance of \$13,985,462 as of April 30, 2023. Interest only payments are made monthly on the outstanding principal balance during the construction.

On November 12, 2021, the Authority executed a \$50,000,000 GEFA loan for a major upgrade to the W.B. Casey Water Reclamation Facility. The terms of this loan include an interest rate of 0.13 percent with interest only due on outstanding principal during the construction phase. This loan had an outstanding balance of \$2,626,829 as of April 30, 2023.

On August 6, 2021, the Authority's Stormwater Fund executed a GEFA loan for \$10,000,000 to complete major culvert projects throughout Clayton County. This loan had an outstanding balance of \$4,079,698 and interest only due on outstanding principal during the construction phase.



REVENUE BONDS

PURPOSE

As construction needs arise that cannot be paid for out of existing cash reserves, the Clayton County Water Authority issues revenue bonds to raise the necessary capital to fund those capital projects. With revenue bonds, the Authority pledges net revenues derived from the acquired asset to pay debt service. Net revenues include operating revenues, impact fees, and other income less operating expense, excluding depreciation. For the fiscal year ended April 30, 2023, net revenues totaled \$45,748,631 and debt service related to the revenue bonds totaled \$20,113,943. The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds and minimum revenue bond coverage. Management believes the Authority is in compliance with all such significant financial limitations and restrictions.

BONDS OUTSTANDING

SERIES 2012 WATER AND SEWERAGE REFUNDING REVENUE BONDS

On March 1, 2012, the Authority issued \$56,235,000 in Series 2012 Water and Sewerage Revenue Refunding Bonds. Depending upon the specific year, the amount maturing ranges from \$0 to \$19,565,000 with the longest maturity for the issue being eleven years from the date of issuance. Interest rates for the various maturities in this series range from 3.00% to 5.00%. This series has three maturities, the first maturity of this series occurred on May 1, 2021 and the final maturity occurs on May 1, 2023. The outstanding principal balance on April 30, 2023 was \$19,565,000.

The Series 2012 Bonds were issued to refund all but a portion of the outstanding Series 2005 bonds. This transaction resulted in an economic gain of \$5,984,084 and a reduction of \$7,064,532 in future debt service payments for the Authority.

BOND PRINCIPAL AND INTEREST PAYMENT SCHEDULE

As of April 30, 2023, the Authority was obligated to make the final payment of principal and interest, due on May 1, for the 2012 revenue bond issue as follows:

For Fiscal Years Ending April 30,	Principal	Interest	Total Payments
2024	\$ 19,565,000	\$ 489,125	\$ 20,054,125
Total	\$ 19,565,000	\$ 489,125	\$ 20,054,125

DEBT SERVICE RESERVE

The various bond indentures contain limitations and restrictions on annual debt service requirements, maintenance of and flow of money through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage of 120 percent of annual debt service. Management believes the Authority follows such financial limitations and restrictions. After the final 2012 Series Bond debt service payment is made, the debt service reserve will have a balance of \$717,845 on April 30, 2023.



ARBITRAGE LIABILITY

On April 30, 2023, the Authority has revenue bonds outstanding, which are subject to arbitrage limitations. The term “*arbitrage rebate*” refers to the required payment to the U. S. Treasury Department of excess earnings received on applicable tax-exempt bond proceeds that are invested at a higher yield than the yield of the tax-exempt bond issue. The Authority’s ultimate rebate of arbitrage earnings on these issues is contingent on a range of factors, including future yields on invested proceeds.

Based on the interim calculations that were performed as of April 30, 2023, the Authority has no arbitrage rebate liability. The rebate obligations are generally computed and adjusted, as applicable, on a periodic basis in accordance with regulations promulgated by the U. S. Treasury Department. Required rebates are generally due and payable in five-year intervals during the life of debt issues, with rebates due upon the retirement of the debt issues.

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the fiscal year ended April 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Portion of Ending Balance Due Within One Year
Revenue Bonds Payable	\$ 38,270,000	\$ -	\$ 18,705,000	\$ 19,565,000	\$ 19,565,000
Amounts for Issuance Premiums	1,118,403	-	1,118,403	-	-
Total Bonds Payable	\$ 39,388,403	\$ -	\$ 19,823,403	\$ 19,565,000	\$ 19,565,000
Loans Payable	\$ 33,831,170	\$ 13,226,957	\$ 2,327,337	\$ 44,730,790	\$ 2,359,798
Compensated Absences	1,987,519	2,128,951	1,987,518	2,128,952	1,086,566
Net OPEB Liability	13,132,419	-	619,287	12,513,132	-
Net Pension Liability	37,654,589	47,014,860	-	84,669,449	-
Total Long-term Liabilities	\$ 125,994,100	\$62,370,768	\$24,757,545	\$ 163,607,323	\$ 23,011,364

NOTE 8: RISK MANAGEMENT

The Authority is exposed to a variety of risks of loss entity-wide related to torts; theft of damage to and destruction of assets; errors and omissions; employment practices; cyber security; fiduciary; injuries to employees and natural disasters. The Authority maintains commercial insurance for most risks of loss for property and casualty areas. The various policies include property, crime, general liability, public officials, employment practices, auto (excludes collision), umbrella, excess worker compensation, cyber security, fiduciary and board member travel accident. These various policies are placed annually with several carriers, all of which were A. M. Best rated at A+ or better at the time the coverage was bound. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past ten fiscal years and there have been no significant reductions in insurance coverage from the prior year except for property deemed within a floodplain due to changes in the floodplain maps.



NOTE 9: SELF-INSURANCE

WORKERS' COMPENSATION

The Authority is self-insured for worker compensation losses. For a worker compensation loss greater than \$500,000, the Authority has purchased excess coverage. As of April 30, 2023, there were no known losses for which an accrual was considered necessary and no estimated claims that have been incurred but not reported.

MEDICAL INSURANCE

On May 1, 2015, the Authority established a fund to provide resources for the payment of employee medical and dental claims. The Authority pays 100 percent of an employee's medical insurance premiums and 60 percent of their dependent's premiums. Tobacco users pay a surcharge to cover their additional costs. Blue Cross and Blue Shield of Georgia serves as our third-party administrator.

On May 1, 2015, the Authority established a fund to provide resources for the payment of employee medical claims. The Authority pays approximately 85% of medical premiums. Employees who cover their spouse incur a spousal surcharge when that spouse is eligible for other group coverage. Anthem serves as our third-party administrator via an Administrative Services Only arrangement. Pharmacy and stop loss coverages are carved out and offered through Maxor Plus and Point 6, respectively. CCWA also offers a fully funded plan through Kaiser Permanente.

The employee's portion of the medical costs is withheld from the employee and transferred to the medical insurance fund each period. The Authority maintains specific stop loss coverage through a private insurance carrier for specific medical and prescription claims exceeding \$135,000 per covered individual per policy year to reduce the exposure from catastrophic claims.

A liability of \$502,628 for the estimated cost of claims, net of adjustments, incurred prior to, but paid after, April 30, 2023 has been accrued and is included in Accounts Payable in the Statement of Net Position. A third-party administrator is employed to process claims for the group insurance health program.

As of April 30, 2023, claims paid were \$17,710 less than premiums collected and recorded as a gain in the Statement of Revenues, Expenses and Changes in Net Position.

	2023	2022
Claims incurred	\$ 7,336,804	\$ 5,082,679
Claims paid	(6,834,176)	(4,533,434)
Unpaid claims at April 30,	<u>\$ 502,628</u>	<u>\$ 549,245</u>

NOTE 10: COMMITMENTS, CONTINGENCIES AND OTHER INFORMATION

FEDERAL AWARDS AND GRANT PROGRAMS

The Authority receives Federal funds in the form of disbursements for Clean Water State Revolving Fund (CWSRF) loans administered by the Georgia Environmental Finance Authority (GEFA) and received disbursements from a 319(h) grant administered through the Georgia Environmental Protection Division (GAEPD). During fiscal year 2023, disbursements totaling \$13,226,957 were received or requested for work completed during the fiscal year of which \$12,498,740 were from Federal or Federal Repayment funds. Total Federal disbursements include \$2,758,432 from



stormwater culvert replacement loan, GEFA-CWSRF-202121, disbursements of \$2,556,427 from the Biosolids loan, GEFA-CWSRF2021024, and disbursements of \$7,183,881 from the Outfall loan, GEFA-CWSRF-2020014.

In accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), a single audit was performed. Independent auditor's reports and accompanying schedules can be found in the [Compliance Section](#) at the end of this document.

LITIGATION, CLAIMS OR ASSESSMENTS

In fiscal year ended April 30, 2023, the Authority is a defendant in various other lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Authority's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Authority employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the employees. Investments are managed by the Plan's trustee under one of the investment options, or a combination thereof. The participants make the choice of the investment option(s). The Authority has adopted GASB No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, which rescinded GASB Statement No. 2*. The Authority has only minor administrative involvement and does not perform any investing for the plan. Due to the fact the Authority's role in management of the plan assets is basically limited to transmitting amounts withheld from payroll to an outside party responsible for administering the plan, the assets of the Deferred Compensation Plan in are not reported in the Authority's financial statements.

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS

PLAN DESCRIPTION

As authorized by the Authority's Board of Directors, the Clayton County Water Authority administers a single employer defined benefit healthcare plan ("the Retiree Health Plan"). The Clayton County Water Authority Other Postemployment Benefits Trust is an irrevocable trust established pursuant to Section 115 of the Internal Revenue Code for pre-funding other postemployment health benefits. The assets of the Trust are used exclusively for OPEB expenses based on the Trust agreement for the purpose of pre-funding other post-employment health benefits in accordance with GASB Statement 74 and GASB Statement 75.

Employees are eligible for the health care plan when they retire if they are immediately eligible to draw a monthly benefit from the pension plan. Up through the age of 64, the plan provides healthcare insurance for eligible retirees through the Authority's group health insurance plan, which covers both active and retired members. Retirees can purchase coverage for their spouses at the group plan rate. At age 65, Medicare-eligible retirees may enroll in a fully insured Medicare Supplemental Plan C. Currently, 190 retirees, beneficiaries, and dependents are receiving group



health benefits under the plan. No other separate post-employment benefit financial reports are issued by this sole employer plan.

Benefit provisions are established by the Board of Directors through the passage of a resolution. The Retiree Health Plan is shown as a fiduciary fund in this financial report.

MEMBERSHIP

The following schedule derived from the most recent actuarial valuation report reflects membership in the OPEB Plan as of January 1, 2023.

Membership Status as of January 1, 2023	
Retirees and beneficiaries currently receiving benefits	190
Active employees	380
Total	570

PLAN ACCOUNTING POLICIES

The Authority accounts for the OPEB Trust Fiduciary Fund on an accrual basis. Contributions from the Authority are recognized when due, pursuant to formal commitments, and on statutory or contractual requirements. Investment income is recognized by the plan when earned. All investments are valued at fair value.

Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Contributions are recognized when paid or legally due to the Trust.

Effective May 1, 2018, the Authority adopted a new accounting standard issued by Government Accounting Standards Board (GASB): *GASB Statement No. 75 Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions – an amendment of GASB Statement No. 45 and 57*, which significantly changed the Authority's accounting for OPEB amounts. The information presented below is in accordance with this new standard.

An actuarial valuation was completed as of January 1, 2023 which measured the Authority's net OPEB liability.

FUNDING POLICY

The contribution requirements of plan members and the Authority are established and may be amended by the Board of Directors. The other postemployment benefits that are due to retirees, during the fiscal year, are funded and expensed on a pay-as-you-go basis from the appropriate utility fund.

During the fiscal year ended April 30, 2009, the Board of Directors chose to contribute \$5,240,690 in cash to the Retiree Health Insurance Trust Fund. This contribution represented monies that had previously been designated in the Water and Sewer Fund for paying retiree health insurance premiums in future periods. During the fiscal year ended April 30, 2013 and 2014, the Board of Directors approved contributions of \$1,000,000 and \$1,140,000, respectively for the same purpose. Since fiscal year ended April 30, 2014, including fiscal year ended April 30, 2023, no additional contributions have been made over the actual expense paid each year by the Authority.



NET OPEB LIABILITY

An interim-year financial disclosure of Other Post-Employment Benefits under GASB Statements No. 74 and 75 was completed for the Authority as of April 30, 2023. The net OPEB liability reported by the Authority on April 30, 2023 is based on the measurement date of April 30, 2023 and determined by an actuarial valuation as of January 1, 2023. The components of the net OPEB liability on April 30, 2023 were:

	4/30/2023
Total OPEB Liability	\$ 27,681,927
Plan Fiduciary Net Position	15,168,795
Net OPEB Liability	\$ 12,513,132
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.80%

The required [Schedule of Changes in Net OPEB Liability and Related Ratios](#) follows the notes to the financial statements in the section: [Required Supplemental Information](#). This information presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total OPEB liability.

The changes in net OPEB liability for the year ended April 30, 2023 were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at April 30, 2022	\$ 28,082,985	\$ 14,950,566	\$ 13,132,419
Changes for the year:			
Service cost	601,733	-	601,733
Interest	2,244,057	-	2,244,057
Differences between expected and actual experience	60,924	-	60,924
Changes in assumptions	(2,039,756)	-	(2,039,756)
Contributions - employer	-	1,268,016	(1,268,016)
Net Investment Income - <i>(Projected earnings on Fiduciary Net Position)</i>	-	1,193,054	(1,193,054)
Benefit Payments	(1,268,016)	(1,268,016)	-
Differences between projected and actual earnings	-	(900,058)	900,058
Administrative expense	-	(74,767)	74,767
Net changes	\$ (401,058)	\$ 218,229	\$ (619,287)
Balances at April 30, 2023	\$ 27,681,927	\$ 15,168,795	\$ 12,513,132



ACTUARIAL METHODS AND ASSUMPTIONS

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

Actuarial Methods and Assumptions	
Valuation Date	January 1, 2023
Actuarial Cost Method	Individual entry age Normal as a level percentage of payroll
Actuarial Value of Assets	Market Value as of April 30, 2023
Accounting Discount Rate	8.00% at January 1, 2023 valuation date 8.00% as of measurement period ending April 30, 2023
Annual Wage Increases	4.00%
Price Inflation	2.50%
Investment Rate of Return	8.00% at January 1, 2023 valuation date 8.00% as of measurement period ending April 30, 2023
Amortization Method	Level Percent of Payroll over a closed 24 years
Health Cost Trend Rates:	
Pre-medicare	7.50%-4.50%
Post-medicare	6.00%-4.50%
Ultimate trend rate	4.50%
Retirement	Participants are assumed to retire in accordance with annual rates varying by date of hire, age, and service
Participation Rate	Future retirees: 100% elect medical and pharmacy coverage; 90% elect life insurance coverage If retired prior to age 65, it is assumed that 90% of participating retirees will elect the Anthem HMO, and 5% will elect Anthem HSA and Kaiser HMO, respectively. Assume no one will opt in or opt out of coverage once initial retirement election is made. Current retirees: Based on current coverage; assume no one will opt in or opt out of coverage after initial retirement election is made Future Spousal: 25% of participating retirees assumed to be married and cover spouse; male spouses are assumed to be 3 years older and female spouse 3 years younger Current spousal: Based on current coverage election; actual age of spouses is used, if provided

It was assumed that there is no liability to the Employer for Dental and Vision Insurance benefits under the Plan as retirees are required to pay 100 percent of the premium costs. There are no material implicit rate subsidies as dental and vision costs do not vary materially by age. A 5 percent load was added to the life insurance coverage to account for administrative fees.

Changes Since Prior Measurement Date: There have been no changes since the prior measurement date.

Healthcare Reform: Per the *Setting Every Community UP for Retirement Enhancement Act* (SECURE), signed into law on December 20, 2019, the excise taxes are reduced to zero. The decrease in liability will be deemed an actuarial gain due to a change in assumptions. Other legislative changes related to the Affordable Care Act were included in the valuation only to the extent they have already been implemented in the plan.



Mortality rates:

Mortality Rates	
Pre-Retirement	Pub-2010 General Employees Headcount-Weighted Mortality Table
Healthy Retirees/Covered	Pub-2010 General Retiree Headcount-Weighted Mortality Table
Surviving Spouses	Pub-2010 General Contingent Survivor Headcount-Weighted Mortality Table
Disabled Retirees	PubNS-2010 Disabled Retiree Headcount-Weighted Mortality Table
Mortality assumptions include a margin for future mortality improvements using Scale MP-2021 projected fully - generationally from the central year of data, 2010	

Investment Rate of Return: The Plan's investment policy including the rate of return is established by the Authority's OPEB committee. The expected long-term rate of return on assets is to estimate the single rate of return that reflects the historical returns, future expectations for each asset class, and asset mix of the plan assets. The rate in the table below has been selected by the OPEB committee, with any future changes subject to the committee's approval.

Asset Classes	Target Allocation (a)	Inflation (b)	Expected Real Rate of Return (c)	Arithmetic Mean (a)x[(b)+(c)]
Equity	50%	2.50%	8.00%	5.25%
Fixed Income	50%	2.50%	3.00%	2.75%
Cash/Reserves	0%	2.50%	0.00%	0.00%
Non-traditional	0%	2.50%	0.00%	0.00%
	100%	2.50%	5.50%	8.00%

Discount Rate: The discount rate used to measure the total OPEB liability was 8.00%. This rate was determined using a Single Equivalent Interest Rate (SEIR) and reflect the long-term expected rate of return on OPEB plan investments. Rates as of April 30, 2023 are in the table below. The discount rate utilized to determine the total OPEB liability as of the beginning of the measurement period was 8.00%.

Single Equivalent Interest Rate (SEIR)	
Long-Term Expected Rate of Return	8.00%
S&P Municipal Bond 20-year High Grade Rate Index*	4.14%
Administrative Fees paid from the Trust as a % of Assets	0.45%
Fiscal Year in which Fiduciary Net Position is Projected to be Depleted	N/A
Single Equivalent Interest Rate	8.00%

*A yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions for use of the long-term expected rate of return are not met.



Sensitivity of the net OPEB liability to changes in the discount rate: The following table presents the Authority's net OPEB liability calculated using the discount rate of 8.0%, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower, 7.0%, or one percentage point higher, 9.0%, than the current rate:

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Net OPEB Liability	\$ 15,923,635	\$ 12,513,132	\$ 9,672,199

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate: The following table presents the Authority's net OPEB liability calculated using the current trend rate as well as what the Authority's net OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower (7.5% decreasing to 3.5%/Medicare eligible: 6.0% decreasing to 3.5%) and one percentage point higher (9.5% decreasing to 5.5%/Medicare eligible: 8.0% decreasing to 5.5%) than the current rate (8.5% decreasing to 4.5%/Medicare eligible: 7.0% decreasing to 4.5%):

	1% Decrease (7.5% decreasing to 3.5%)	Current Trend Rate (8.5% decreasing to 4.5%)	1% Increase (9.5% decreasing to 5.5%)
Net OPEB Liability	\$ 9,612,369	\$ 12,513,132	\$ 16,033,267

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Calculations are based on the substantive plan in effect as of April 30, 2023, current sharing pattern of costs between employer and inactive employees. The plan does not issue separate financial statements.

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended April 30, 2023, OPEB expense of \$438,544 was recognized. At April 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 749,271	\$ -
Changes of assumptions	359,596	6,585,217
Net difference between projected and actual earnings	1,459,845	-
Total	\$ 2,568,712	\$ 6,585,217



SCHEDULE OF DEFERRED OUTFLOWS (INFLOWS)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Fiscal Year ended April 30,</i>	
2024	\$ (1,320,998)
2025	(1,498,133)
2026	(693,128)
2027	(44,383)
2028	(165,125)
2029+	(294,738)
Total	\$ (4,016,505)

NOTE 12: PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS)

PLAN DESCRIPTION

As authorized by the Authority's Board of Directors, the Clayton County Water Authority participates in the Clayton County, Georgia Public Employee Retirement System ("the plan", "PERS"). The Clayton County Public Employee Retirement System (the Plan) is a cost-sharing multiple-employer defined benefit pension plan. The Plan is administered by a five-person Board of Trustees that consists of four members who are in the following roles: 1) the Chief Financial Officer for Clayton County; 2) the Human Resources Director of the County; 3) the Chairperson of the Clayton County Commissioners, or designee; and 4) the Chairperson of the Board of Directors for the Authority, or designee. The fifth person on the board is a member-at-large and is selected by the four other members of the board of trustees. The Plan is funded by participants and the plan sponsors (Clayton County and the Clayton County Water Authority). Clayton County has a June 30 fiscal year-end, and the Clayton County Water Authority has an April 30 fiscal year-end. This Board has the authority to establish and amend benefit provisions.

The Plan is funded in conformity with the minimum funding standards in Section 47-20-10 of the Public Retirement Systems standard law. Participants in the Plan consist of the Clayton County Board of Commissioners and the Clayton County Water Authority. In addition, the Plan is part of the County's financial reporting entity and is therefore included in the County's financial statements as a Pension Trust Fund. The Clayton County PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Clayton County Staff Attorney, 112 Smith Street, Jonesboro, Georgia 30236.

Plan Membership as of June 30, 2022	Number of Participants
Inactive plan members or beneficiaries currently receiving	1,574
Inactive plan members entitled to but not yet receiving	358
Active plan members	2,404
Total	4,336



BENEFITS PROVIDED

Under the Plan, a member may retire and receive normal retirement benefits at the earlier of age 60 and 7 years of participation or age 55 and 25 years of credited service for any employee hired prior to January 1, 2016. For employees hired on, or after January 1, 2016, a member may retire and received normal retirement benefits at age 62 with 10 years of credited service or age 60 with 35 years of credited service. For employees hired before January 1, 2016 early retirement is available at the earlier of age 50 and 25 years of credited service or age 55 and 15 years of credited service. For employees hired on or after January 1, 2016 early retirement is available at age 60 with 15 years of service or age 55 with 25 years of service. Additionally, the Plan has provisions for disability retirement, late retirement, and deferred vested benefits.

Normal retirement benefits paid to members equal 2.5 percent of the member's average monthly salary multiplied by years of credited service up to 32 years. For members hired after January 1, 2016, the multiplier is 2 percent. Average monthly compensation is based on the 36 highest consecutive completed whole or partial months of service during the last 60 months of service. For members hired on or after January 1, 2016 average monthly compensation is based on the final 60 months of service. For early retirement, if a member has 25 years of credited service, the benefit is reduced 0.5 percent for each month the member's age is less than 55. If the participant has less than 25 years of credited service, the benefit is reduced 0.5 percent for each month the member's age is less than 60.

CONTRIBUTIONS

Each participant will contribute 7.5 percent of compensation beginning July 1, 2015. The contribution rate from July 1, 2006 through June 30, 2015 was 5.5 percent of compensation. The contribution rate from August 8, 1998 through June 30, 2006 was 3.5 percent of compensation and for July 1, 1995 through August 7, 1998 was 2.0 percent of compensation. If a participant terminates employment before meeting the requirements for any of the above benefits, they are entitled to receive a return of their contributions with 5 percent interest.

Employers are required to contribute at an actuarially determined rate. Based on the present valuation, a normal contribution rate of 11.88 percent of active participants' compensation is payable leaving a balance of 4.34 percent to be paid by the employers. In the previous valuation, the normal contribution rate was 11.84 percent of active participants' compensation, leaving a balance of 4.85 percent to be paid by employers.

The employers also contribute toward the liquidation of the unfunded accrued liability. The 13.66 percent additional contribution made by the employers will liquidate the unfunded accrued liability within 30 years. This compares to a 11.84 percent additional contribution in the prior year valuation to liquidate the unfunded accrued liability within 30 years. This assumes the funds to liquidate the unfunded liability increase 3.00 percent each year.

For the year ended June 30, 2022, total contributions to the Plan by the Authority were \$3,290,604 and by members were \$1,840,021.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the members provide services. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are financed through investment earnings.



Method Used to Value Investments: Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

GASB 68 Implementation: Effective May 1, 2015, Clayton County along with the Clayton County Water Authority, implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the Authority's accounting treatment of pensions. The information that follows is presented in accordance with these standards.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

On April 30, 2023, the Authority reported a liability for its proportionate share of the net pension liability in the amount of \$84,669,449. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2022. The Authority's proportionate share of the net pension liability was based on a five-year average of actual contributions made by the Authority as of June 30, 2022. On June 30, 2022, the Authority's proportionate share was 15.41 percent; a decrease of 0.92 percent from its allocation measured as of June 30, 2021.

For the year ended April 30, 2023, the Authority recognized pension expense of \$12,454,327. On April 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,610,982	\$ -
Changes of assumptions	23,944,228	903,858
Net difference between projected and actual earnings on pension plan investments	9,624,434	-
Changes in proportion	260,623	3,154,595
Contributions subsequent to measurement date	3,325,159	-
Total	\$40,765,426	\$ 4,058,453

Contributions of \$3,325,159 made subsequent to the measurement date of June 30, 2022 through the end of the fiscal year of April 30, 2023 will be reported as deferred outflows and recognized as a reduction in the net pension liability in the fiscal year ended April 30, 2024.



SCHEDULE OF DEFERRED OUTFLOWS (INFLOWS)

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

<i>Fiscal Year ended April 30,</i>	
2023	\$ 8,766,112
2024	8,234,193
2025	7,087,776
2026	9,293,733
2027	-
Thereafter	-
Total	\$ 33,381,814

ACTUARIAL ASSUMPTIONS

The total pension liability as of June 30, 2022 was determined by an actuarial valuation as of July 1, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Assumptions	
Inflation	2.75%
Salary Increases	<i>Authority:</i> Valuation year beginning 7/1/2024 & thereafter: 4% <i>County:</i> Valuation year beginning 7/1/2022: 7.25% - 14.25% Valuation year beginning 7/1/2023 and thereafter: 4.75%
Investment Rate of Return	7.75%

Mortality rates: Mortality rates for annuitants non-safety, mortality rates are based on Pub-2010 Amount Weighted General Retiree Below-Median Table with a load of 2.85%, projected with Mortality Scale MP-2021. For annuitants safety mortality rates are based on Pub-2010 Amount Weighted Public Safety Retiree Below-Median Table, projected with Mortality Scale MP-2021. For non-annuitants non-safety, mortality rates are based on Pub-2010 Amount Weighted General Employees Below-Median Table, projected with Mortality Scale MP-2021. For non-annuitants safety, mortality rates are based on Pub-2010 Amount Weighted Public Safety Employee Below-Median Table, projected with Mortality Scale MP-2021. For disabled participants non-safety, mortality is based on the Pub-2010 Amount Weighted Non-Safety Disabled Retiree Table, projected with Mortality Scale MP-2021. For disabled participants safety, mortality is based on the Pub-2010 Amount Weighted Public Safety Disabled Retiree Table, projected with Mortality Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building block method, which best—estimate ranges of expected future real rates of return 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 rates of return by the target asset allocation percentages. Estimates for the expected rates of return for each asset class have



been derived through a combination of measuring historical average rates of return and applying capital market assumptions for future expected rates of return for each asset class as provided by our investment consultants. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equities	55.00%	7.50%
International Equities	15.00%	8.50%
Domestic Bonds	25.00%	2.50%
International Bonds	5.00%	3.50%
Total	100.00%	

Discount Rate: The discount rate used to measure the total pension liability was 6.37%. The projection of cash flows used to determine the discount rate is based on a projection of the County's current membership based on actuarial assumptions. Contributions are assumed to be made in accordance with County ordinance with additional contributions being made, if necessary, to meet the minimum funding statutes under Georgia state law. Contributions expected to be made by future new members are included to the extent contributions under Clayton County's ordinance are expected to exceed the normal cost for new members. Based on these assumptions, the pension plan's fiduciary net position was projected to be sufficient to cover future benefit payments for current members. Therefore, the long-term expected rate of return of 7.75% on pension plan investment was applied to all projected benefit payments where the plan's fiduciary net position at the beginning of the year is projected to be sufficient to cover the benefit payments in that year and the 20-year municipal bond yield rate of 4.09% was used and applied to the remaining projected benefit payments. The resulting blended discount rate was 6.37%.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate: The following table presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.37%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 5.37%, or one percentage point higher, 7.37%, than the current rate:

	1% Decrease (5.37%)	Current Discount Rate (6.37%)	1% Increase (7.37%)
Net Pension Liability	\$ 105,959,335	\$ 84,669,449	\$ 67,235,866

Pension plan fiduciary net position: Detailed information about the Plan's fiduciary net position is available in the separately issued Clayton County Public Employees Retirement System financial report, which can be obtained at the offices of the Clayton County Board of Commissioners.





III. REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

SCHEDULE OF CONTRIBUTIONS – PENSION

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

SCHEDULE OF CONTRIBUTIONS – OTHER POST-EMPLOYMENT BENEFITS

SCHEDULE OF OPEB INVESTMENT RETURNS





SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

	2022	2021	2020	2019
Authority's proportion of the net pension liability	15.41%	16.33%	16.56%	16.59%
Authority's proportionate share of the net pension liability	\$84,669,449	\$37,654,589	\$56,135,215	\$42,999,961
Authority's covered payroll during the measurement period	\$18,890,860	\$21,857,417	\$20,334,419	\$20,568,981
Authority's proportionate share of the net pension liability as a % of its covered payroll	448.20%	172.27%	276.06%	209.05%
Plan fiduciary net position as a percentage of the total pension liability	45.37%	71.37%	56.83%	63.17%

	2018	2017	2016	2015
Authority's proportion of the net pension liability	16.43%	15.97%	15.51%	15.25%
Authority's proportionate share of the net pension liability	\$37,044,529	\$33,706,558	\$35,781,953	\$40,945,632
Authority's covered payroll during the measurement period	\$20,480,833	\$20,072,613	\$19,663,781	\$19,026,582
Authority's proportionate share of the net pension liability as a % of its covered payroll	180.87%	167.92%	181.97%	215.20%
Plan fiduciary net position as a percentage of the total pension liability	65.63%	66.19%	61.87%	59.09%

Note to the Schedule: The schedule will present 10 years of information once it is accumulated.

SCHEDULE OF CONTRIBUTIONS - PENSION

	2022	2021	2020	2019
Contractually required contribution	\$ 3,290,604	\$ 4,291,760	\$ 3,084,284	\$ 3,048,425
Contributions in relation to the contractually required contribution	3,290,604	4,291,760	3,084,284	3,048,425
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered employee payroll for Authority's fiscal year-end	\$18,890,860	\$21,974,471	\$21,289,883	\$20,342,030
Contributions as a percentage of covered payroll	17.42%	19.53%	14.49%	14.99%

	2018	2017	2016	2015
Contractually required contribution	\$ 2,943,069	\$ 2,842,162	\$ 2,756,799	\$ 2,286,727
Contributions in relation to the contractually required contribution	2,943,069	2,940,655	2,756,799	2,700,229
Contribution deficiency (excess)	\$ -	\$ (98,493)	\$ -	\$ (413,502)
Covered employee payroll for Authority's fiscal year-end	\$20,242,269	\$19,191,102	\$18,690,627	\$17,065,000
Contributions as a percentage of covered payroll	14.54%	15.32%	14.75%	14.19%

Notes to the Schedule of Contributions:

- 1) The schedules will present 10 years of information once it is accumulated.
- 2) **Valuation Date:** Actuarially determined contributions are calculated, as of the beginning of the fiscal year, in which contributions are made. The actuarially determined contribution for the fiscal year ending June 30, 2022 is based on the July 1, 2022 Actuarial Valuation.



3) Methods and Assumptions used to determine the actuarially determined contribution:

Actuarial Methods and Assumption	
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level Percent of Payroll; Open
Amortization Period	30 Years
Asset Valuation Method	Actuarial value as specified in the July 1, 2022 Actuarial Valuation Report for Clayton County, Georgia Public Employees' Retirement System
Administrative Expenses	0.350% of Payroll
Inflation	2.75% per annum
Salary Increases	<i>Water Authority Employees:</i> Valuation Years beginning 7/1/2024 and thereafter: 4.00% <i>County Employees:</i> Valuation Year beginning 7/1/2022: 7.25%, 9.25%, or 14.25% Valuation Year beginning 7/1/2023 and thereafter: 4.75%
Investment Rate of Return	7.75%, net of pension plan investment expenses
Retirement and Termination rate	As specified in the July 1, 2022 Actuarial Valuation Report for Clayton County, Georgia Public Employees' Retirement System
Mortality	Non-Safety Retirees: Pub-2010 Amount Weighted General Retiree Below-Median Table with a load of 2.85%, projected with Mortality Improvement Scale MP-2021. Non-Safety Non-Annuity: Pub-2010 Amount Weighted General Employee Below-Median Table, projected with Mortality Improvement Scale MP-2021. Non-Safety Disabled Participants: Pub-2010 Amount Weighted Non-safety Disabled Retiree table, projected with Mortality Improvement Scale MP-2021. Safety Retirees: Pub-2010 Amount Weighted Public Safety Retiree Below-Median Table, projected with Mortality Improvement Scale MP-2021. Safety Non-Annuity: Pub-2010 Amount Weighted Public Safety Employee Below-Median Table, projected with Mortality Improvement Scale MP-2021. Safety Disabled Participants: Pub-2010 Amount Weighted Public Safety Employee Below-Median Table, projected with Mortality Improvement Scale MP-2021. Survivor Beneficiaries : Pub-2010 Amount Weighted Contingent Survivor Below-Median Table, projected with Mortality Improvement Scale MP-2021.

4) Changes of Assumptions used to determine the actuarially determined contribution: None



SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 601,733	\$ 572,294	\$ 576,277	\$ 575,581	\$ 1,018,532	\$ 998,561
Interest	2,244,057	2,074,658	2,049,048	1,977,426	1,774,662	1,683,533
Differences between expected and actual experience	60,924	339,781	445,239	-	550,581	-
Changes in assumptions	(2,039,756)	500,614	(868,431)	(337,063)	(11,740,276)	(108,791)
Benefit payments	(1,268,016)	(1,530,578)	(1,752,720)	(1,362,778)	(981,035)	(886,728)
Net change in total OPEB liability	\$ (401,058)	\$ 1,956,769	\$ 449,413	\$ 853,166	\$ (9,377,536)	\$ 1,686,575
Total OPEB liability - beginning	28,082,985	26,126,216	25,676,803	24,823,637	34,201,173	32,514,598
Total OPEB liability - ending (a)	\$27,681,927	\$28,082,985	\$26,126,216	\$25,676,803	\$24,823,637	\$34,201,173
Plan Fiduciary Net Position						
Employer contributions	\$ 1,268,016	\$ 1,530,578	\$ 1,752,720	\$ 1,362,778	\$ 981,035	\$ 886,728
Contributions - active members	-	-	-	-	-	-
Difference between projected and actual earnings	(900,058)	(2,517,058)	2,368,924	(885,684)	(160,202)	-
Net investment income	1,193,054	1,296,213	1,029,316	1,022,478	962,726	935,980
Benefit payments (expected payments used)	(1,268,016)	(1,530,578)	(1,752,720)	(1,362,778)	(981,035)	(886,728)
Administrative expenses	(74,767)	(62,506)	(61,553)	(57,489)	(53,763)	(51,775)
Other - Interest Receivable	-	-	-	8,204	-	-
Net change in plan fiduciary net position	\$ 218,229	\$ (1,283,351)	\$ 3,336,687	\$ 87,509	\$ 748,761	\$ 884,205
Plan fiduciary net position - beginning	14,950,566	16,233,917	12,897,230	12,809,721	12,060,960	11,176,755
Plan fiduciary net position - ending (b)	15,168,795	14,950,566	16,233,917	12,897,230	12,809,721	12,060,960
Client's net OPEB liability - ending (a) - (b)	\$12,513,132	\$13,132,419	\$ 9,892,299	\$12,779,573	\$12,013,916	\$22,140,213
Plan fiduciary net position as a percentage of the total OPEB liability	54.80%	53.24%	62.14%	50.23%	51.60%	35.26%
Covered-employee payroll	\$24,305,015	\$24,482,007	\$20,964,879	\$22,548,332	\$20,342,030	\$19,191,102
Net OPEB liability as a percentage of covered-employee payroll	51.48%	53.64%	47.19%	56.68%	59.06%	115.37%

Note to the Schedule: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available. Actuarial valuation as of January 1, 2023.

SCHEDULE OF CONTRIBUTIONS – OTHER POST-EMPLOYMENT BENEFITS

	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ 1,464,779	\$ 1,250,993	\$ 1,214,557	\$ 1,447,371	\$ 1,405,215
Contributions in relation to the actuarially determined contributions	1,268,016	1,530,578	1,752,720	1,362,778	981,035
Contribution deficiency (excess)	\$ 196,763	\$ (279,585)	\$ (538,163)	\$ 84,593	\$ 424,180
Covered-employee payroll	\$24,305,015	\$24,482,007	\$20,964,879	\$22,548,332	\$20,342,679
Actual contributions as a percentage of covered-employee payroll	5.22%	6.25%	8.36%	6.04%	4.82%

	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 2,019,000	\$ 2,019,000	\$ 1,940,000	\$ 1,940,000	\$ 1,917,000
Contributions in relation to the actuarially determined contributions	886,728	867,000	890,000	890,000	1,979,000
Contribution deficiency (excess)	\$ 1,132,272	\$ 1,152,000	\$ 1,050,000	\$ 1,050,000	\$ (62,000)
Covered-employee payroll	\$19,191,102	\$19,191,102	\$17,065,000	\$17,065,000	\$16,834,000
Actual contributions as a percentage of covered-employee payroll	4.62%	4.52%	5.22%	5.22%	11.76%

Notes to the Schedule: CCWA has an actuarial analysis performed every two years with an interim-year financial disclosure between years.



Notes to the Schedule (continued):

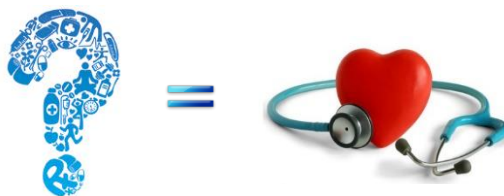
Actuarial Methods and Assumptions	
Valuation Date	January 1, 2023
Actuarial Cost Method	Individual entry age Normal as a level percentage of payroll
Actuarial Value of Assets	Market Value as of April 30, 2023
Accounting Discount Rate	8.00% at January 1, 2023 valuation date 8.00% as of measurement period ending April 30, 2023
Annual Wage Increases	4.00%
Price Inflation	2.50%
Investment Rate of Return	8.00% at January 1, 2023 valuation date 8.00% as of measurement period ending April 30, 2023
Amortization Method	Level Percent of Payroll over a closed 24 years
Health Cost Trend Rates:	
Pre-medicare	7.50%-4.50%
Post-medicare	6.00%-4.50%
Ultimate trend rate	4.50%
Retirement	Participants are assumed to retire in accordance with annual rates varying by date of hire, age, and service
Participation Rate	Future retirees: 100% elect medical and pharmacy coverage; 90% elect life insurance coverage If retired prior to age 65, it is assumed that 90% of participating retirees will elect the Anthem HMO, and 5% will elect Anthem HSA and Kaiser HMO, respectively. Assume no one will opt in or opt out of coverage once initial retirement election is made. Current retirees: Based on current coverage; assume no one will opt in or opt out of coverage after initial retirement election is made Future Spousal: 25% of participating retirees assumed to be married and cover spouse; male spouses are assumed to be 3 years older and female spouse 3 years younger Current spousal: Based on current coverage election; actual age of spouses is used, if provided

Mortality Rates	
Pre-Retirement	Pub-2010 General Employees Headcount-Weighted Mortality Table
Healthy Retirees/Covered	Pub-2010 General Retiree Headcount-Weighted Mortality Table
Surviving Spouses	Pub-2010 General Contingent Survivor Headcount-Weighted Mortality Table
Disabled Retirees	PubNS-2010 Disabled Retiree Headcount-Weighted Mortality Table
	Mortality assumptions include a margin for future mortality improvements using Scale MP-2021 projected fully - generationally from the central year of data, 2010

SCHEDULE OF OTHER POST-EMPLOYMENT BENEFITS INVESTMENT RETURNS

	4/30/2023	4/30/2022	4/30/2021	4/30/2020	4/30/2019
Annual Money-Weighted Rate of Return	-15.70%	-7.54%	12.95%	1.07%	6.67%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.





IV. SUPPLEMENTARY INFORMATION

SCHEDULE OF OPERATING REVENUES

SCHEDULE OF OPERATING EXPENSES - DIRECT WATER OPERATING EXPENSES

SCHEDULE OF OPERATING EXPENSES - DIRECT WASTEWATER OPERATING EXPENSES

SCHEDULE OF OPERATING EXPENSES - INDIRECT OPERATING EXPENSES

SCHEDULE OF OPERATING EXPENSES - ADMINISTRATIVE OPERATING EXPENSES

SCHEDULE OF OPERATING EXPENSES - STORMWATER OPERATING EXPENSES

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY ASSET CLASS - WATER AND SEWER FUND

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY DEPARTMENT - WATER AND SEWER FUND

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY ASSET CLASS - STORMWATER FUND

DEBT SERVICE ACCOUNTS

SCHEDULE OF RESTRICTED ASSETS AND RELATED PAYABLES - DEBT SERVICE ACCOUNTS

SCHEDULE OF CHANGES IN RESTRICTED ASSETS - DEBT SERVICE ACCOUNTS

SCHEDULE OF REVENUE BONDS PAYABLE

RENEWAL AND EXTENSION ACCOUNT

SCHEDULE OF RESTRICTED ASSETS AND RELATED PAYABLES - RENEWAL AND EXTENSION ACCOUNT

SCHEDULE OF CHANGES IN RESTRICTED ASSETS - RENEWAL AND EXTENSION ACCOUNT





SCHEDULE OF OPERATING REVENUES

Clayton County Water Authority
Schedule of Operating Revenues
Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water and Sewer	Stormwater	Total
Sale Of Water:			
Residential	\$ 19,772,919	\$ -	\$ 19,772,919
Commercial	5,622,064	-	5,622,064
Multi-Family	10,105,808	-	10,105,808
Industrial	3,151,736	-	3,151,736
Institutional	2,416,941	-	2,416,941
City and County	757,566	-	757,566
Other Customer Classes	5,813,996	-	5,813,996
Backflow	968,306	-	968,306
Base Charges	13,121,227	-	13,121,227
Total Sale of Water	\$ 61,730,563	\$ -	\$ 61,730,563
Sewer Service:			
Residential	\$ 15,554,957	\$ -	\$ 15,554,957
Commercial	4,858,875	-	4,858,875
Multi-Family	10,618,826	-	10,618,826
Industrial	2,346,677	-	2,346,677
Institutional	1,868,500	-	1,868,500
City and County	543,228	-	543,228
Other Customer Classes	5,738,343	-	5,738,343
Base Charges	11,855,114	-	11,855,114
Total Sewer Service	\$ 53,384,520	\$ -	\$ 53,384,520
Stormwater Fees:			
Residential	\$ -	\$ 3,575,177	\$ 3,575,177
Governmental	-	1,315,377	1,315,377
Institutional	-	754,343	754,343
Non-Residential	-	5,139,677	5,139,677
Total Stormwater Fees	\$ -	\$ 10,784,574	\$ 10,784,574
Tapping Fees:			
Water	\$ 533,403	\$ -	\$ 533,403
Sewer	21,959	-	21,959
Total Tapping Fees	\$ 555,362	\$ -	\$ 555,362
Penalties and Reconnect Charges:			
Penalties and Late Fees	\$ 2,706,445	\$ 167,321	\$ 2,873,766
First Time Service Fee	338,285	-	338,285
Bad Check and Other Charges	93,510	2,150	95,660
Reconnect Charges	1,043,240	-	1,043,240
Total Penalties and Reconnect Charges	\$ 4,181,480	\$ 169,471	\$ 4,350,951
Sales of Pellets, Timber and Materials:			
Pellets	\$ 41,391	\$ -	\$ 41,391
Timber	-	-	-
Other Materials	14,390	1,466	15,856
Total Sales of Pellets, Timber and Material	\$ 55,781	\$ 1,466	\$ 57,247
Other Operating Revenues:			
Reimbursement for Damages to System	\$ 187,957	\$ -	\$ 187,957
Rental Income	218,290	-	218,290
Sewer Monitoring Fees	7,968	-	7,968
Miscellaneous Revenues	303,165	-	303,165
Total Other Operating Revenues	\$ 717,380	\$ -	\$ 717,380
Total Operating Revenues	\$ 120,625,086	\$ 10,955,511	\$ 131,580,597



SCHEDULE OF OPERATING EXPENSES – DIRECT WATER OPERATING EXPENSES

Business-Type Activities
Water and Sewer Fund
Schedule Of Operating Expenses By Business Unit
Direct Water Operating Expenses
For Fiscal Year Ended April 30, 2023

Operating Expense	Water Production Manager	Water Production Oper/Maint	William J. Hooper Water Plant	Morrow Pumping Station	Noah's Ark Pumping Station	Elevated Tanks	J.W. Smith Water Plant
Salaries, Wages and Benefits	\$ 274,877	\$ 201,621	\$ 910,870	\$ -	\$ -	\$ -	\$ 775,900
Operating Materials and Supplies	100,770	1,976	1,211,802	514	28	-	616,242
Vehicle Supplies	619	2,691	384	396	1,129	-	399
Administrative Supplies	831	238	2,362	-	-	-	5,103
Utilities	1,697	1,440	1,206,117	251,459	507,706	9,831	1,166,723
Maintenance and Repairs	56	25	77,104	804	4,235	-	38,587
Outside Services	7,066	505	289,944	53,946	33,696	1,320	104,408
Rentals	-	-	2,575	-	-	-	2,068
Accounting Charges	-	-	-	-	-	-	-
General Expenses	100,027	3,840	41,703	1,509	4,498	5,466	28,477
Expenses Capitalized	-	-	-	-	-	-	-
Grand Total	\$ 485,943	\$ 212,336	\$ 3,742,861	\$ 308,628	\$ 551,292	\$ 16,617	\$ 2,737,907

Operating Expense	Blalock Jr. Reservoir and Dam	Jonesboro Pumping Station	Forest Park Pumping Station	Shoal Creek Reservoir	Hicks Water Production Complex	Well Program	Water Quality Laboratory
Salaries, Wages and Benefits	\$ -	\$ -	\$ -	\$ -	\$ 963,068	\$ -	\$ 430,473
Operating Materials and Supplies	107,182	307	-	-	472,162	581	82,317
Vehicle Supplies	-	-	-	-	2,603	-	2,803
Administrative Supplies	-	-	-	-	15,680	-	3,168
Utilities	1,235	179,618	4,580	-	620,678	4,146	3,301
Maintenance and Repairs	-	2,390	22	564	46,366	5,605	2,214
Outside Services	26,036	14,239	50	4,685	160,395	3,836	145,253
Rentals	146,050	-	-	161	2,082	-	8,606
Accounting Charges	-	-	-	-	-	-	-
General Expenses	78	2,235	1,355	2,903	37,528	470	20,956
Expenses Capitalized	-	-	-	-	-	-	-
Grand Total	\$ 280,581	\$ 198,789	\$ 6,007	\$ 8,313	\$ 2,320,562	\$ 14,638	\$ 699,091

Operating Expense	Meter Installation	Water Distribution Maintenance	Meter Testing and Repair	Leak Detection and Repair	Backflow Testing and Repair	Total Direct Water
Salaries, Wages and Benefits	\$ 192,355	\$ 2,053,874	\$ 358,599	\$ 136,205	\$ 395,429	\$ 6,693,271
Operating Materials and Supplies	486,802	573,323	41,451	8,802	46,382	3,750,641
Vehicle Supplies	5,388	96,439	8,665	3,378	15,195	140,089
Administrative Supplies	1,789	17,857	2,896	474	3,469	53,867
Utilities	586	19,756	4,337	2,911	5,989	3,992,110
Maintenance and Repairs	3,316	39,059	2,451	856	2,036	225,690
Outside Services	255,998	554,015	62,570	4,317	2,685	1,724,964
Rentals	765	1,463	1,670	-	-	165,440
Accounting Charges	-	-	-	-	-	-
General Expenses	6,408	40,883	5,681	2,127	12,211	318,355
Expenses Capitalized	(950,001)	(9,249)	(672)	-	-	(959,922)
Grand Total	\$ 3,406	\$ 3,387,420	\$ 487,648	\$ 159,070	\$ 483,396	\$ 16,104,505



SCHEDULE OF OPERATING EXPENSES – DIRECT WASTEWATER OPERATING EXPENSES

Business-Type Activities
Water and Sewer Fund
Schedule Of Operating Expenses By Business Unit
Direct Wastewater Operating Expenses
For Fiscal Year Ended April 30, 2023

	Water		Northeast Water		Shoal Creek	
Operating Expense	Reclamation Manager	W.B. Casey WRRF	Reclamation Facility	Northeast Solids Handling	Water Reclamation Facility	Shoal Creek Solids Handling
Salaries, Wages and Benefits	\$ 269,309	\$ 1,048,123	\$ 936,438	\$ -	\$ 572,555	\$ -
Operating Materials and Supplies	1,287	482,907	338,550	94,040	43,675	103,525
Vehicle Supplies	1,171	10,030	1,613	-	2,379	-
Administrative Supplies	146	6,320	5,057	1,152	3,543	-
Utilities	1,176	1,163,873	553,054	39,747	225,833	139,404
Maintenance and Repairs	30	87,606	98,281	11,350	117,552	11,970
Outside Services	894,759	431,990	90,264	552,184	108,695	405,275
Rentals	-	671	544	-	-	-
Accounting Charges	-	-	-	-	-	-
General Expenses	101,817	75,293	52,234	8,372	35,349	7,388
Expenses Capitalized	-	-	-	-	-	-
Grand Total	\$ 1,269,695	\$ 3,306,813	\$ 2,076,035	\$ 706,845	\$ 1,109,581	\$ 667,562

	R.L. Jackson Transfer Pump Station	Natural Treatment Operations	Wastewater Conveyance Maintenance	Conveyance System Inspection	Laboratory/ Environmental Compliance	Sludge Pelletizing
Salaries, Wages and Benefits	\$ -	\$ 940,296	\$ 1,192,112	\$ 2,043,431	\$ 560,082	\$ 770,134
Operating Materials and Supplies	-	20,143	202,861	195,529	47,127	498,556
Vehicle Supplies	3,047	24,978	66,896	79,677	6,269	3,086
Administrative Supplies	-	1,915	13,649	18,837	704	4,881
Utilities	409,771	92,182	16,449	16,823	2,417	1,056,846
Maintenance and Repairs	2,678	41,948	75,683	43,679	531	322,452
Outside Services	77,884	31,410	484,808	234,555	64,161	306,037
Rentals	395	-	1,739	767	1,370	-
Accounting Charges	-	-	-	-	-	-
General Expenses	7,210	22,752	26,786	46,347	12,918	34,969
Expenses Capitalized	-	-	(201)	(29)	-	-
Grand Total	\$ 500,985	\$ 1,175,624	\$ 2,080,782	\$ 2,679,616	\$ 695,579	\$ 2,996,961

Operating Expense	Influent Pump Station	Sewage Lift Station	Total Direct Wastewater
Salaries, Wages and Benefits	\$ -	\$ 427,382	\$ 8,759,862
Operating Materials and Supplies	-	176,388	2,204,588
Vehicle Supplies	538	21,475	221,159
Administrative Supplies	-	2,025	58,229
Utilities	166,421	257,473	4,141,469
Maintenance and Repairs	2,591	71,844	888,195
Outside Services	109,719	185,969	3,977,710
Rentals	-	-	5,486
Accounting Charges	-	-	-
General Expenses	1,768	56,381	489,584
Expenses Capitalized	-	-	(230)
Grand Total	\$ 281,037	\$ 1,198,937	\$ 20,746,052



SCHEDULE OF OPERATING EXPENSES – INDIRECT OPERATING EXPENSES

Business-Type Activities
Water and Sewer Fund
Schedule Of Operating Expenses By Business Unit
Indirect Operating Expenses
For Fiscal Year Ended April 30, 2023

		J.W. Smith		Shamrock		Program	
	Meter	Recreation Park		Community Use		Management/	
Operating Expense	Services	and Community	Recreation	Building	Wetlands	Engineering	Construction
		Building			Center	Manager	Services
Salaries, Wages and Benefits	\$ 1,941,484	\$ 106,518	\$ 190,589	\$ -	\$ 144,412	\$ 796,895	\$ 1,013,533
Operating Materials and Supplies	327,648	4,502	6,311	6,962	16,118	163	5,674
Vehicle Supplies	88,733	7,433	2,828	-	613	366	9,633
Administrative Supplies	18,063	2,564	8,949	1,647	862	1,642	1,499
Utilities	29,875	5,175	8,758	15,331	11,489	6,287	14,970
Maintenance and Repairs	15,421	3,859	9,917	3,997	1,187	405	1,897
Outside Services	26,926	27,223	31,801	43,083	22,040	409,429	4,031
Rentals	-	-	528	600	430	-	-
Accounting Charges	-	1,955	-	263	47	-	-
General Expenses	77,496	1,549	2,654	1,678	2,601	103,536	25,176
Expenses Capitalized	-	-	-	-	-	(204)	(68,022)
Grand Total	\$ 2,525,646	\$ 160,778	\$ 262,335	\$ 73,561	\$ 199,799	\$ 1,318,519	\$ 1,008,391

		Geographic	Distribution	Utility		General	
	Engineering	Information	and	and	Utility	Services	
Operating Expense		System	Conyenance	Landscaping	Locators	Manager	Garage
			Manager	Services			
Salaries, Wages and Benefits	\$ 401,432	\$ 804,534	\$ 428,348	\$ 453,479	\$ 427,745	\$ 196,595	\$ 410,472
Operating Materials and Supplies	442	2,843	8,347	44,416	24,125	1,882	26,054
Vehicle Supplies	-	4,095	4,238	18,929	17,437	153	6,970
Administrative Supplies	117	666	8,178	6,934	5,903	495	3,070
Utilities	2,944	5,874	20,305	3,558	6,405	17,403	9,452
Maintenance and Repairs	-	141	18,920	5,749	2,889	57	5,639
Outside Services	980,480	45,320	38,748	11,547	64,413	44,047	19,208
Rentals	-	-	-	2,710	-	-	2,499
Accounting Charges	-	-	-	-	-	-	-
General Expenses	12,487	232,398	115,676	6,807	6,961	101,735	9,770
Expenses Capitalized	-	(10,198)	-	(1,495)	-	-	-
Grand Total	\$ 1,397,902	\$ 1,085,673	\$ 642,760	\$ 552,634	\$ 555,878	\$ 362,367	\$ 493,134

		Equipment	Grounds	Building		Total
	Warehouse	Maintenance	Right of Way	Maintenance/	Miscellaneous	Indirect
Operating Expense			Maintenance	Projects		
Salaries, Wages and Benefits	\$ 349,153	\$ 1,542,441	\$ 380,694	\$ 584,484	\$ -	\$ 10,172,808
Operating Materials and Supplies	4,228	37,448	12,514	31,554	(16,562)	544,669
Vehicle Supplies	1,228	36,732	19,613	17,773	4,019	240,793
Administrative Supplies	2,623	5,389	1,270	4,356	(751)	73,476
Utilities	22,909	39,122	9,746	23,836	-	253,439
Maintenance and Repairs	1,184	5,606	5,434	2,595	102	84,999
Outside Services	24,378	14,555	28,895	25,462	652	1,862,238
Rentals	-	1,476	2,046	-	-	10,289
Accounting Charges	-	-	-	-	-	2,265
General Expenses	7,134	50,976	6,745	6,559	3,040	774,978
Expenses Capitalized	-	-	-	(2,204)	-	(82,119)
Grand Total	\$ 412,837	\$ 1,733,745	\$ 466,957	\$ 694,415	\$ (9,500)	\$ 13,937,835



SCHEDULE OF OPERATING EXPENSES – ADMINISTRATIVE OPERATING EXPENSES

Business Type Activities
Water and Sewer Fund
Schedule Of Operating Expenses By Business Unit
Administrative Operating Expenses
For Fiscal Year Ended April 30, 2023

Operating Expense	General Manager	Human Resources	Public Relations	Board Members	Information Technology	Contracts, Compliance, Risk Mgmt	Finance
Salaries, Wages and Benefits	\$ 1,099,842	\$ 2,540,262	\$ 235,317	\$ 47,617	\$ 2,053,914	\$ 510,049	\$ 1,483,660
Net Pension Expense	-	8,440,398	-	-	-	-	-
Net OPEB Expense	-	(779,704)	-	-	-	-	-
Operating Materials and Supplies	110,327	8,638	46,074	2,028	260,193	1,773	1,521
Vehicle Supplies	878	172	50	-	89	-	150
Administrative Supplies	8,580	27,149	35,874	82	22,988	503	9,809
Utilities	68,824	16,517	1,848	2,931	440,980	2,467	11,896
Maintenance and Repairs	15,256	376	-	-	915	76	220
Outside Services	417,296	301,864	17,717	20,697	1,168,280	24,038	51,746
Rentals	400	3,840	270	8,404	-	1,352	-
Accounting Charges	-	-	-	-	-	-	-
General Expenses	356,130	131,695	47,209	51,102	1,285,666	4,875	535,189
Expenses Capitalized	(3,057)	449	-	-	(257,436)	-	(849)
Grand Total	\$ 2,074,476	\$ 10,691,656	\$ 384,359	\$ 132,861	\$ 4,975,589	\$ 545,133	\$ 2,093,342

Operating Expense	Risk Management	Customer Accounts Director	Customer Accounting	Customer Service	Community Use Room	Water Conservation	Total Administrative
Salaries, Wages and Benefits	\$ (2,159)	\$ 489,416	\$ 569,274	\$ 2,235,893	\$ -	\$ -	\$ 18,923,779
Operating Materials and Supplies	-	1,350	154	1,186,076	1,376	14,790	1,634,300
Vehicle Supplies	-	107	-	-	-	-	1,446
Administrative Supplies	-	4,493	27,652	14,996	381	-	152,507
Utilities	-	4,543	4,001	19,501	3,992	-	577,500
Maintenance and Repairs	-	3,400	214	2,405	-	-	22,862
Outside Services	(47)	21,443	453,571	92,212	1,677	-	2,570,494
Rentals	-	-	2,807	-	-	-	17,073
Accounting Charges	-	-	1,447,972	-	263	-	1,448,235
General Expenses	-	25,484	21,421	17,638	384	427	2,477,220
Expenses Capitalized	-	-	-	-	-	-	(260,893)
Grand Total	\$ (2,206)	\$ 550,236	\$ 2,527,066	\$ 3,568,721	\$ 8,073	\$ 15,217	\$ 27,564,523



SCHEDULE OF OPERATING EXPENSES – STORMWATER DIRECT AND INDIRECT OPERATING EXPENSES

Business-Type Activities
Stormwater
Schedule Of Operating Expenses By Business Unit
Indirect and Direct Operating Expenses
For Fiscal Year Ended April 30, 2023

Operating Expense	Stormwater Management	Engineering	Total Indirect Stormwater	Maintenance	Total Direct Stormwater
Salaries, Wages and Benefits	\$ 685,131	\$ 443,773	\$ 1,128,904	\$ 1,472,188	\$ 1,472,188
Operating Materials and Supplies	1,566	15,771	17,337	108,646	108,646
Vehicle Supplies	511	7,121	7,632	60,681	60,681
Administrative Supplies	12,146	3,986	16,132	8,456	8,456
Utilities	8,188	8,834	17,022	14,125	14,125
Maintenance and Repairs	7,843	1,321	9,164	20,515	20,515
Outside Services	376,402	710,002	1,086,404	1,245,377	1,245,377
Rentals	-	4,548	4,548	-	-
Accounting Charges	372,322	-	372,322	-	-
General Expenses	65,989	11,396	77,385	25,647	25,647
Expenses Capitalized	-	-	-	(129,350)	(129,350)
Grand Total	\$ 1,530,098	\$ 1,206,752	\$ 2,736,850	\$ 2,826,285	\$ 2,826,285





CASH FLOW STATEMENT – HUIE NATURE PRESERVE FOUNDATION, INC.

Huie Nature Preserve Foundation, Inc.
Statement of Cash Flows
For the Fiscal Year Ended April 30, 2023

Cash Flows from Operating Activities:

Cash Received from Customers	\$ 161,000
Cash Paid to Suppliers	(183,971)
Cash Paid to Employees	-
Net Cash Used by Operating Activities	<u>\$ (22,971)</u>

Cash Flows from Noncapital Financing Activities:

Transfers from Other Funds	\$ -
Transfers to Other Funds	-
Net Cash Provided by Noncapital Financing Activities	<u>\$ -</u>

Cash Flows from Capital and Related Financing Activities:

Acquisition and Construction of Capital Assets	\$ (143,530)
Fees Received From Subdividers	-
Principal Paid on Bonds Payable	-
Principal Paid on Notes Payable	-
Proceeds from Loans Payable	-
Interest Paid on Bonds and Loans Payable	-
Proceeds from Sale of Capital Assets	-
Fees Received from Other Governments	-
Net Cash Used In Capital and Related Financing Activities	<u>\$ (143,530)</u>

Cash Flows from Investing Activities:

Interest on investments	\$ -
Net Cash Provided by Investing Activities	<u>\$ -</u>

Net Decrease in Cash and Cash Equivalents

	\$ (166,501)
Cash and Cash Equivalents, April 30, 2022	<u>1,409,010</u>
Cash and Cash Equivalents, April 30, 2023	<u>\$ 1,242,509</u>

Reconciliation of Operating Income to Net Cash Used by Operating Activities:

Operating Income	\$ (45,384)
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Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:

Depreciation Expense	\$ 10,077
(Increase) Decrease in Accounts Receivable	-
(Increase) Decrease in Other Receivables	160,000
(Increase) Decrease in Inventories	-
(Increase) Decrease in Prepaid Items	-
(Decrease) Increase in Accounts Payable	(147,664)
(Decrease) Increase in Accrued Liabilities	-
(Decrease) Increase in Customer Deposits	-
(Decrease) Increase in Compensated Absences	-
(Decrease) Increase in Net OPEB Liability	-
(Decrease) Increase in Net Pension Liability	-
(Decrease) Increase in Unearned Revenue	-
Total Adjustments	<u>22,413</u>
Net Cash Provided by Operating Activities	<u>\$ (22,971)</u>

Continued on next page



Huie Nature Preserve Foundation, Inc.
Statement of Cash Flows (Continued)
For the Fiscal Year Ended April 30, 2023

Reconciliation of Cash Presentation to Cash and Cash Equivalents:

Unrestricted Assets:

Cash and Cash Equivalents:

Current	\$ 1,242,509
Noncurrent	-

Restricted Assets:

Cash and Cash Equivalents:

Current	-
Noncurrent	-

Total Cash and Cash Equivalents	\$ 1,242,509
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Non-cash Capital and Related Financing Activities

Contributions of Capital Assets by Subdividers and Developers	\$ -
Total Non-cash Capital and Related Financing Activities	\$ -



HUIE NATURE PRESERVE
FOUNDATION



SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY ASSET CLASS – WATER AND SEWER FUND

	Capital Assets				Allowance for Depreciation				Net Book Value
	Beginning Balance	Additions	Transfers/ Splits	Deductions	Ending Balance	Beginning Balance	Additions	Transfers/ Splits	
Land and Easements									
Land	\$ 28,378,139	\$ -	\$ -	\$ (600)	\$ 28,377,539	\$ -	\$ -	\$ -	\$ 28,377,539
Easements	1,999,943	681	104	-	2,000,728	-	-	-	2,000,728
Total Land and Easements	\$ 30,378,082	\$ 681	\$ 104	\$ (600)	\$ 30,378,267	\$ -	\$ -	\$ -	\$ 30,378,267
Building and Structures									
Utilities Service	\$ 1,520,411	\$ -	\$ -	\$ -	\$ 1,520,411	\$ (1,423,806)	\$ (20,859)	\$ -	\$ (1,444,665)
Paving & Surfacing	7,022,651	-	-	-	7,022,651	(6,082,640)	(169,918)	-	(6,252,558)
Landscaping	846,256	-	-	-	846,256	(794,255)	(8,933)	-	(803,188)
Fencing	1,048,606	46,746	25,000	-	1,120,352	(943,744)	(24,725)	-	(968,469)
Retaining Walls	1,627,937	-	-	-	1,627,937	(751,100)	(62,295)	-	(813,395)
Outdoor Lighting	1,279,903	-	2,500	-	1,282,403	(1,211,282)	(10,986)	-	(1,222,268)
Exterior Signage	133,869	-	-	-	133,869	(118,785)	(4,060)	-	(122,845)
Site Preparation	18,866,247	-	-	-	18,866,247	(14,311,737)	(776,573)	-	(15,088,310)
Building & Structures	147,369,871	155,807	45,000	-	147,570,678	(62,664,979)	(3,543,164)	-	(66,208,143)
Building Services	9,471,989	58,064	-	-	9,530,053	(5,049,744)	(360,261)	-	(5,410,005)
Water Tanks	7,079,150	-	97,400	-	7,176,550	(2,755,365)	(89,574)	-	(2,844,939)
Lift Stations	1,221,757	-	-	-	1,221,757	(287,074)	(30,981)	-	(318,055)
Metering Stations	5,350	-	-	-	5,350	(3,758)	(134)	-	(3,892)
Repainting of Water Tanks	586,940	-	-	-	586,940	(191,741)	(52,094)	-	(243,835)
Forest Park Sewer System	1,181,728	-	-	-	1,181,728	(1,181,728)	-	-	(1,181,728)
Total Building and Structures	\$ 199,262,665	\$ 260,617	\$ 169,900	\$ -	\$ 199,693,182	\$ (97,771,738)	\$ (5,154,557)	\$ -	\$ (102,926,295)
Operating/Maintenance Equipment									
Pumping Equipment	\$ 13,587,089	\$ 253,145	\$ 62,000	\$ (681)	\$ 13,901,553	\$ (6,889,803)	\$ (429,935)	\$ -	\$ 356
Treatment Equipment	39,156,696	119,940	11,000	(75,500)	39,212,136	(19,271,222)	(1,285,025)	-	35,429
Monitoring/Control Equipment	33,097,002	452,776	39,100	(42,736)	33,546,142	(15,152,893)	(1,321,073)	-	10,754
Lifting/Handling Equipment	1,370,872	-	-	(1,859)	1,369,013	(1,166,595)	(33,020)	-	1,859
Garage Equipment	48,622	-	-	(590)	48,032	(39,852)	(4,179)	-	590
Laboratory Equipment	805,842	22,976	-	(11,009)	817,809	(642,611)	(35,175)	-	11,009
Landscaping Equipment	332,003	66,797	-	-	398,800	(273,553)	(25,579)	-	(299,132)
Safety Equipment	864,157	-	250	-	864,407	(821,633)	(26,152)	-	(847,785)
Shop/Cleaning Equipment & Tools	210,839	-	-	-	210,839	(204,452)	(1,691)	-	(206,143)
Fuel Dispensing Equipment	127,761	-	-	-	127,761	(102,576)	(2,385)	-	(104,961)
Containers	296,240	-	-	-	296,240	(211,068)	(14,122)	-	(225,190)
Marine Equipment	96,190	-	-	-	96,190	(64,068)	(14,825)	-	(78,893)
Miscellaneous Other Equipment	46,439	-	-	(2,579)	43,860	(40,266)	(2,176)	-	2,579
Total Operating/Maintenance Equipment	\$ 90,039,752	\$ 915,634	\$ 112,350	\$ (134,954)	\$ 90,932,782	\$ (44,880,592)	\$ (3,195,337)	\$ -	\$ 62,576
Field Equipment									
Construction Equipment	\$ 3,638,103	\$ 357,843	\$ -	\$ (204,233)	\$ 3,791,713	\$ (3,238,631)	\$ (123,696)	\$ -	\$ 195,783
Drilling/Cutting Equipment	294,732	-	-	(814)	293,918	(295,932)	-	-	814
Specialized Maint Equipment	268,100	-	-	-	268,100	(259,491)	(3,299)	-	(262,790)
Forestry Equipment	169,975	116,322	-	-	286,297	(129,066)	(20,168)	-	(149,234)
Measuring/Drafting Equipment	765,188	5,000	-	(597)	769,591	(699,598)	(18,253)	-	597
Energy Utility Sources	12,647,336	-	80,000	(5,198)	12,722,138	(12,597,162)	(64,528)	-	5,198
Meters	39,706,152	1,949,894	(104)	-	41,655,942	(27,339,421)	(1,357,006)	-	(28,696,427)
Total Field Equipment	\$ 57,489,586	\$ 2,429,059	\$ 79,896	\$ (210,842)	\$ 59,787,699	\$ (44,559,301)	\$ (1,586,950)	\$ -	\$ 202,392
Road Equipment									
Trucks	\$ 4,136,694	\$ 500,304	\$ -	\$ (56,679)	\$ 4,580,319	\$ (3,561,625)	\$ (258,464)	\$ -	\$ 56,679
Trailers (Non-Forestry)	305,644	25,668	-	(29,984)	301,328	(299,099)	(6,949)	-	29,984
Automobiles/Pick-Ups	3,647,551	186,262	-	(98,070)	3,735,743	(3,168,835)	(244,910)	-	98,070
Total Road Equipment	\$ 8,089,889	\$ 712,234	\$ -	\$ (184,733)	\$ 8,617,390	\$ (7,029,559)	\$ (510,323)	\$ -	\$ 184,733
Total	\$ 408,949,889	\$ 4,429,059	\$ 192,146	\$ (429,529)	\$ 409,141,565	\$ (192,146,529)	\$ (8,854,815)	\$ -	\$ 21,262,241

Continued on next page



	Capital Assets				Allowance for Depreciation				Net Book Value	
	Beginning Balance	Additions	Transfers/ Splits	Deductions	Ending Balance	Beginning Balance	Additions	Transfers/ Splits		Deductions
Piping										
Water Distribution System	\$ 144,530,243	\$ 2,549,221	\$ -	\$ -	\$ 147,079,464	\$ (44,900,375)	\$ (1,946,895)	\$ -	\$ -	\$ (46,847,270)
Sewer Outfall/Col Sys/FCD MNS	197,449,622	17,020,381	(375,000)	-	214,095,003	(58,096,859)	(2,652,082)	-	-	(60,748,941)
Piping (In-Plant/Building)	40,344,633	-	-	-	40,344,633	(18,743,914)	(914,192)	-	-	(19,658,106)
Valves (In-Plant/Building)	6,843,687	-	10,200	(999)	6,852,888	(2,744,850)	(159,405)	-	367	(2,903,888)
Gates (In-Plant/Building)	2,081,648	-	-	-	2,081,648	(732,819)	(47,147)	-	-	(779,966)
Forest Park Water & Sewer Lines	4,585,997	-	-	-	4,585,997	(3,821,046)	(134,882)	-	-	(3,955,928)
In-Plant/Building/Other	2,676,557	139,587	-	-	2,816,144	(531,680)	(39,172)	-	-	(570,852)
Total Piping	\$ 398,512,387	\$ 19,709,189	\$ (364,800)	\$ (999)	\$ 417,855,777	\$ (129,571,543)	\$ (5,893,775)	\$ -	\$ 367	\$ (135,464,951)
Technology and Office Equipment										
Computing Devices and Software	\$ 17,147,349	\$ 356,859	\$ -	\$ -	\$ 17,504,208	\$ (10,857,730)	\$ (1,740,305)	\$ -	\$ -	\$ (12,598,035)
Communication Equipment	717,110	17,200	-	-	734,310	(654,175)	(20,610)	-	-	(674,785)
Miscellaneous Equipment	4,667	-	-	-	4,667	(4,667)	-	-	-	(4,667)
Audio-Visual Equipment	856,501	-	-	(1,385)	855,116	(717,230)	(50,583)	-	1,385	(766,428)
Total Technology and Office Equipment	\$ 18,725,627	\$ 374,059	\$ -	\$ (1,385)	\$ 19,098,301	\$ (12,233,802)	\$ (1,811,498)	\$ -	\$ 1,385	\$ (14,043,915)
Furniture and Fixtures										
Desks, Tables, & Racks	\$ 973,656	\$ 37,845	\$ -	\$ (1,845)	\$ 1,009,656	\$ (766,566)	\$ (35,990)	\$ -	\$ 1,845	\$ (800,711)
Seating	121,384	-	-	(2,139)	119,245	(116,582)	(3,036)	-	2,139	(117,479)
Storage Units	426,951	-	-	(2,919)	424,032	(346,668)	(11,185)	-	2,919	(354,934)
Shelving	32,391	-	-	(1,493)	30,898	(32,391)	-	-	1,493	(30,898)
Aerial Photos, Misc	385,783	-	-	-	385,783	(263,789)	(7,381)	-	-	(271,170)
Appliances	650,166	(166)	2,550	(280)	652,270	(625,503)	(6,090)	-	280	(631,313)
Total Furniture and Fixtures	\$ 2,590,331	\$ 37,679	\$ 2,550	\$ (8,676)	\$ 2,621,884	\$ (2,151,499)	\$ (63,682)	\$ -	\$ 8,676	\$ (2,206,505)
System Franchises, Engineering Studies										
Non-Tangibles	\$ 90,501,751	\$ 1,414,089	\$ -	\$ -	\$ 91,915,840	(42,205,875)	(3,377,668)	\$ -	\$ -	(45,583,543)
Total System and Engineering Studies	\$ 90,501,751	\$ 1,414,089	\$ -	\$ -	\$ 91,915,840	\$ (42,205,875)	\$ (3,377,668)	\$ -	\$ -	(45,583,543)
Total All Classes	\$ 895,590,070	\$ 25,853,241	\$ -	\$ (542,189)	\$ 920,901,122	\$ (380,403,909)	\$ (21,593,790)	\$ -	\$ 460,129	\$ (401,537,570)
Construction In Progress	58,944,066	33,613,638	-	(19,583,049)	72,974,655	-	-	-	-	-
TOTAL CAPITAL ASSETS	\$ 954,534,136	\$ 59,466,879	\$ -	\$ (20,125,238)	\$ 993,875,777	\$ (380,403,909)	\$ (21,593,790)	\$ -	\$ 460,129	\$ (401,537,570)



SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY DEPARTMENT – WATER AND SEWER FUND

	Capital Assets				Allowance for Depreciation				Ending Balance	Net Book Value	
	Beginning Balance	Additions	Transfers/ Spills	Deductions	Beginning Balance	Additions	Transfers/ Spills	Deductions			
Administrative											
General Manager	\$ 13,969,912	\$ 9,417	\$ (3,999)	\$ -	\$ 13,975,330	\$ (6,208,333)	\$ (365,889)	\$ 3,933	\$ -	\$ (6,570,289)	\$ 7,405,041
Human Resources	152,835	4,819	-	-	157,654	(116,253)	(6,750)	-	-	(123,003)	34,651
Communications & Community Relations	43,076	-	-	-	43,076	(36,521)	(1,309)	-	-	(37,830)	5,246
Board Member	30,281	-	465	-	30,746	(27,764)	(912)	(399)	-	(29,075)	1,671
Information Services	15,108,698	326,002	-	-	15,434,700	(9,145,486)	(1,669,073)	-	-	(10,814,559)	4,620,141
Procurement, Contracts & Compliance	225,522	19,327	-	-	244,849	(19,853)	(12,642)	-	-	(32,495)	212,354
Finance	278,051	849	1,597	(1,243)	279,254	(225,401)	(8,984)	(1,597)	1,243	(234,739)	44,515
Risk Management	-	-	-	-	-	-	-	-	-	-	-
Customer Accounts Director	4,730,528	-	(1,502)	(579)	4,728,447	(387,041)	(782,955)	1,502	579	(1,167,915)	3,560,532
Meter Reading & Repair	985,607	43,224	-	(5,081)	1,023,750	(793,613)	(45,796)	-	5,081	(834,328)	189,422
Customer Accounting	1,607,305	8,500	-	-	1,615,805	(1,565,157)	(7,665)	-	-	(1,572,822)	42,983
Customer Service	731,939	-	(2,464)	-	729,475	(286,101)	(29,607)	2,155	-	(313,553)	415,922
Community Use Room (CUR)	138,155	-	-	-	138,155	(75,346)	(9,891)	-	-	(85,237)	52,918
Warehouse	1,353,413	59,528	-	-	1,412,941	(851,092)	(46,325)	-	-	(897,417)	515,524
Total Administrative	\$ 39,355,322	\$ 471,666	\$ (5,903)	\$ (6,903)	\$ 39,814,182	\$ (19,737,961)	\$ (2,987,798)	\$ 5,594	\$ 6,903	\$ (22,713,262)	\$ 17,100,920
Water Reclamation											
Water Reclamation DM	\$ 1,351,148	\$ -	\$ -	\$ -	\$ 1,351,148	\$ (386,150)	\$ (42,590)	\$ -	\$ -	\$ (428,740)	\$ 922,408
WB Casey Sr WPCP	103,784,579	631,583	-	(26)	104,416,136	(40,033,244)	(2,870,348)	-	-	(42,903,592)	61,512,544
NE Clayton WPCP	67,747,329	209,809	-	(226)	67,956,912	(35,092,169)	(2,142,559)	-	-	(37,234,728)	30,722,184
NE Solids Handling	3,528,352	-	-	-	3,528,352	(2,101,729)	(100,050)	-	-	(2,201,779)	1,326,573
Shoal Creek WRP	34,657,229	251,675	-	(26)	34,908,878	(16,051,146)	(826,259)	-	-	(16,877,405)	18,031,473
Shoal Creek Solids Handling	4,451,990	-	-	-	4,451,990	(1,975,928)	(124,665)	-	-	(2,100,593)	2,351,397
Transfer Pump Station	8,103,353	-	-	-	8,103,353	(5,669,550)	(176,885)	-	-	(5,846,435)	2,256,918
Laboratory/Environmental Comp.	628,167	41,310	-	(30,979)	638,498	(548,048)	(7,868)	-	10,324	(545,592)	92,906
Sludge Pelletizing	13,196,096	31,119	-	-	13,227,215	(5,855,366)	(320,801)	-	-	(6,176,167)	7,051,048
Influent Pump Station	2,102,200	-	-	-	2,102,200	(1,275,991)	(48,112)	-	-	(1,324,103)	778,097
Natural Treatment Operations	58,019,658	192,527	(21,742)	-	58,190,443	(24,268,831)	(981,813)	21,742	-	(25,228,902)	32,961,541
Total Water Reclamation	\$ 297,570,101	\$ 1,358,023	\$ (21,742)	\$ (31,257)	\$ 298,875,125	\$ (133,258,152)	\$ (7,641,950)	\$ 21,742	\$ 10,324	\$ (140,868,036)	\$ 158,007,089
Distribution and Conveyance											
Distribution and Conveyance Manager	\$ 2,079,656	\$ 59,528	\$ (29,807)	\$ -	\$ 2,109,377	\$ (1,554,645)	\$ (37,763)	\$ 21,850	\$ -	\$ (1,570,558)	\$ 538,819
Meter Installation	8,012,130	1,001,520	-	-	9,013,650	(2,056,195)	(562,877)	-	-	(2,619,072)	6,394,578
Water Line Maintenance	173,690,832	3,677,967	(156,982)	(1,411)	177,210,406	(68,468,517)	(2,694,124)	156,982	1,411	(71,004,248)	106,206,158
Meter & Backflow Testing	4,390,799	-	-	-	4,390,799	(2,284,537)	(286,623)	-	-	(2,571,160)	1,819,639
Leak Detection & Repair	242,475	5,000	-	-	247,475	(149,626)	(7,125)	-	-	(156,751)	90,724
Backflow Testing and Repair	4,605,074	-	(28,324)	-	4,576,750	(4,557,563)	(18,945)	28,324	-	(4,548,184)	28,566
Utility & Landscaping Services	383,779	120,160	-	-	503,939	(355,683)	(18,941)	-	-	(374,624)	129,315
Sewer Tap Maintenance	203,842,839	17,165,388	(502,366)	(3,626)	220,502,235	(62,740,466)	(2,832,042)	126,268	3,626	(65,442,614)	155,059,621
Sewer Rehabilitation	2,623,805	633,696	(7,975)	-	3,249,526	(2,236,513)	(156,028)	7,975	-	(2,384,566)	864,960
Water & Sewer Locators	251,018	-	(9,892)	-	241,126	(186,974)	(29,161)	9,892	-	(206,243)	34,883
Total Distribution and Conveyance	\$ 400,122,407	\$ 22,663,259	\$ (735,346)	\$ (5,037)	\$ 422,045,283	\$ (144,590,719)	\$ (6,643,629)	\$ 351,291	\$ 5,037	\$ (150,878,020)	\$ 271,167,263
Engineering											
Program Mgmt & Eng/DM	\$ 1,484,833	\$ 811,365	\$ (4,913)	\$ -	\$ 2,291,285	\$ (527,659)	\$ (58,139)	\$ 4,561	\$ -	\$ (581,237)	\$ 1,710,048
Watershed Protection	1,037,938	-	-	-	1,037,938	(662,914)	(34,598)	-	-	(697,512)	340,426
Program Management	5,256,472	40,492	-	-	5,296,964	(2,873,854)	(182,696)	-	-	(3,056,550)	2,240,414
Drafting & Mapping	380,609	26	-	-	380,635	(177,015)	(8,653)	-	-	(185,668)	194,967
Geographic Info System	1,329,450	-	4,598	-	1,334,048	(889,112)	(76,436)	(3,938)	-	(969,486)	364,562
Total Engineering	\$ 9,489,302	\$ 851,883	\$ (315)	\$ -	\$ 10,340,870	\$ (5,130,554)	\$ (360,522)	\$ 623	\$ -	\$ (5,490,453)	\$ 4,850,417

Continued on next page



	Capital Assets					Allowance for Depreciation					Net Book Value
	Beginning Balance	Additions	Transfers/ Splits	Deductions	Ending Balance	Beginning Balance	Additions	Transfers/ Splits	Deductions	Ending Balance	
Water Production											
Water Production Manager	\$ 2,025,106	\$ -	\$ -	\$ -	\$ 2,025,106	\$ (428,512)	\$ (70,942)	\$ -	\$ -	\$ (499,454)	\$ 1,525,652
Water Production O&M Support	81,824	-	-	-	81,824	(52,097)	(1,112)	-	-	(53,209)	28,615
WJ Hooper Water Plant	42,417,788	171,818	(13,975)	(101,652)	42,473,979	(20,284,393)	(1,196,294)	6,052	49,576	(21,425,059)	21,048,920
Morrow Pumping Station	2,464,897	5,105	-	-	2,470,002	(978,572)	(65,317)	-	-	(1,043,889)	1,426,113
Noah's Ark Pumping Station	4,862,023	5,105	-	-	4,867,128	(2,635,623)	(116,836)	-	-	(2,752,459)	2,114,669
Elevated Tanks	3,890,159	-	-	-	3,890,159	(2,026,023)	(67,932)	-	-	(2,093,955)	1,796,204
JW Smith Water Plant	23,144,264	73,744	13,975	(1)	23,231,982	(13,786,804)	(538,949)	(6,052)	-	(14,331,805)	8,900,177
Blalock Jr Reservoir	4,333,217	-	-	(2,579)	4,330,638	(1,902,736)	(62,475)	-	2,579	(1,962,632)	2,368,006
Jonesboro Pumping Station	2,150,366	5,105	-	-	2,155,471	(1,192,188)	(35,427)	-	-	(1,227,615)	927,856
Forest Park Pumping Station	656,943	-	-	-	656,943	(454,952)	(23,110)	-	-	(478,062)	178,881
Shoal Creek Reservoir	8,923,660	-	-	-	8,923,660	(3,947,452)	(151,249)	-	-	(4,098,701)	4,824,959
Terry Hicks Water Plant	24,991,795	106,588	-	(1)	25,098,382	(15,450,264)	(647,430)	-	-	(16,097,694)	9,000,688
Well Program	568,541	-	-	-	568,541	(240,654)	(14,679)	-	-	(255,333)	313,208
Water Quality Lab	369,620	-	-	(685)	368,935	(245,893)	(27,769)	-	685	(272,977)	95,958
J.W. Smith Recreation Park	401,688	-	-	-	401,688	(318,960)	(9,512)	-	-	(328,472)	73,216
Lake Shamrock Recreation	962,056	18,729	-	-	980,785	(825,506)	(30,014)	-	-	(855,520)	125,265
Shamrock Community Use Bldg	618,235	8,121	-	-	626,356	(451,767)	(21,961)	-	-	(473,728)	152,628
Wetland Center	826,192	-	-	(1,665)	824,527	(611,355)	(16,899)	-	1,665	(626,589)	197,938
Total Water Production	\$ 123,688,374	\$ 394,315	\$ -	\$ (106,583)	\$ 123,976,106	\$ (65,833,751)	\$ (3,097,907)	\$ -	\$ 54,505	\$ (68,877,153)	\$ 55,098,953
General Services											
General Services/DM	\$ 6,064,439	\$ -	\$ -	\$ -	\$ 6,064,439	\$ (1,002,733)	\$ (265,715)	\$ -	\$ -	\$ (1,268,448)	\$ 4,795,991
Sewage Lift Station	15,129,315	40,480	403,461	(600)	15,572,656	(7,400,917)	(430,006)	(28,461)	-	(7,859,384)	7,713,272
Garage	545,428	-	(24,651)	(2,449)	518,328	(459,202)	(7,517)	24,651	2,449	(439,619)	78,709
Equipment Maintenance	1,672,478	43,327	(28,461)	(1,493)	1,685,851	(1,370,680)	(94,556)	28,461	1,493	(1,435,282)	250,569
Grounds/Right-of-Way Maint	715,661	30,288	-	-	745,949	(535,884)	(50,540)	-	-	(586,424)	159,525
Building Maint/Projects	1,056,787	-	6,216	-	1,063,003	(904,134)	(11,880)	(6,216)	-	(922,230)	140,773
Miscellaneous	180,456	-	406,741	(387,867)	199,330	(179,222)	(1,770)	(397,685)	379,418	(199,259)	71
Total General Services	\$ 25,364,564	\$ 114,095	\$ 763,306	\$ (392,409)	\$ 25,849,556	\$ (11,852,772)	\$ (861,984)	\$ (379,250)	\$ 383,360	\$ (12,710,646)	\$ 13,138,910
Total All Departments	\$ 895,590,070	\$ 25,853,241	\$ -	\$ (542,189)	\$ 920,901,122	\$ (380,403,909)	\$ (21,593,790)	\$ -	\$ 460,129	\$ (401,537,570)	\$ 519,363,552
Construction In Progress	58,944,066	33,613,638	-	(19,583,049)	72,974,655	-	-	-	-	-	72,974,655
TOTAL CAPITAL ASSETS	\$ 954,534,136	\$ 59,466,879	\$ -	\$ (20,125,238)	\$ 993,875,777	\$ (380,403,909)	\$ (21,593,790)	\$ -	\$ 460,129	\$ (401,537,570)	\$ 592,338,207



SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY ASSET CLASS – STORMWATER FUND

	Capital Assets				Allowance for Depreciation				Net Book Value
	Beginning Balance	Additions	Transfers/ Splits	Deductions	Ending Balance	Beginning Balance	Additions	Transfers/ Splits	Ending Balance
Land and Easements									
Land	\$ 985,377	\$ 9,922	\$ -	\$ -	\$ 995,299	\$ -	\$ -	\$ -	\$ -
Easements	228,806	-	-	-	228,806	-	-	-	-
Dams/Earthen Embankment	747,000	-	-	-	747,000	-	-	-	-
Total Land and Easements	\$ 1,961,183	\$ 9,922	\$ -	\$ -	\$ 1,971,105	\$ -	\$ -	\$ -	\$ 1,971,105
Building and Structures									
Fencing	\$ 20,310	\$ -	\$ -	\$ -	\$ 20,310	\$ (18,369)	\$ (1,224)	\$ -	\$ (19,593)
Outdoor Lighting	4,807	-	-	-	4,807	(4,127)	(481)	-	(4,608)
Exterior Signage	595	-	-	-	595	(595)	-	-	(595)
Building & Structures	714,430	-	-	-	714,430	(236,760)	(17,861)	-	(254,621)
Building Services	10,831	-	-	-	10,831	(5,683)	(433)	-	(6,116)
Total Building and Structures	\$ 750,973	\$ -	\$ -	\$ -	\$ 750,973	\$ (265,534)	\$ (19,999)	\$ -	\$ (285,533)
Operating/Maintenance Equipment									
Pumping Equipment	\$ 48,242	\$ -	\$ -	\$ -	\$ 48,242	\$ (42,942)	\$ (253)	\$ -	\$ (43,195)
Monitoring/Control Equipment	28,904	-	-	-	28,904	(12,658)	(964)	-	(13,622)
Laboratory Equipment	33,513	-	-	-	33,513	(33,513)	-	-	(33,513)
Safety Equipment	19,014	-	-	-	19,014	(19,014)	-	-	(19,014)
Shop/Cleaning Equipment & Tools	3,825	-	-	-	3,825	(3,825)	-	-	(3,825)
Miscellaneous Other Equipment	2,837	-	-	-	2,837	(2,837)	-	-	(2,837)
Total Operating/Maintenance Equipment	\$ 136,335	\$ -	\$ -	\$ -	\$ 136,335	\$ (114,789)	\$ (1,217)	\$ -	\$ (116,006)
Field Equipment									
Construction Equipment	\$ 1,329,123	\$ -	\$ -	\$ -	\$ 1,329,123	\$ (809,115)	\$ (104,550)	\$ -	\$ (913,665)
Drilling/Cutting Equipment	14,467	-	-	-	14,467	(14,467)	-	-	(14,467)
Specialized Maint Equipment	18,222	-	-	-	18,222	(18,222)	-	-	(18,222)
Measuring/Drafting Equipment	14,056	-	-	-	14,056	(14,056)	-	-	(14,056)
Energy Utility Sources	1,914	-	-	-	1,914	(1,162)	(30)	-	(1,192)
Total Field Equipment	\$ 1,377,782	\$ -	\$ -	\$ -	\$ 1,377,782	\$ (857,022)	\$ (104,580)	\$ -	\$ (961,602)
Road Equipment									
Trucks	\$ 1,339,968	\$ -	\$ -	\$ -	\$ 1,339,968	\$ (983,170)	\$ (166,297)	\$ -	\$ (1,149,467)
Trailers (Non-Forestry)	57,274	14,875	-	-	72,149	(43,355)	(10,973)	-	(54,328)
Automobiles/Pick-Ups	218,338	-	-	-	218,338	(170,074)	(17,690)	-	(187,764)
Total Road Equipment	\$ 1,615,580	\$ 14,875	\$ -	\$ -	\$ 1,630,455	\$ (1,196,599)	\$ (194,960)	\$ -	\$ (1,391,559)

Continued on next page



	Capital Assets				Allowance for Depreciation				Net Book Value
	Beginning Balance	Additions	Transfers/ Splits	Ending Balance	Beginning Balance	Additions	Transfers/ Splits	Ending Balance	
Piping									
Stormwater Infrastructure	\$ 155,540,732	\$ 4,750,242	\$ -	\$ 160,290,974	\$ (104,096,750)	\$ (1,242,177)	\$ -	\$ (105,338,927)	\$ 54,952,047
Total Piping	\$ 155,540,732	\$ 4,750,242	\$ -	\$ 160,290,974	\$ (104,096,750)	\$ (1,242,177)	\$ -	\$ (105,338,927)	\$ 54,952,047
Technology and Office Equipment									
Computing Devices and Software	\$ 25,367	\$ -	\$ -	\$ 25,367	\$ (16,828)	\$ (1,905)	\$ -	\$ (18,733)	\$ 6,634
Communication Equipment	24,032	-	-	24,032	(23,812)	(205)	-	(24,017)	15
Audio-Visual Equipment	127,109	16,500	-	143,609	(81,159)	(19,180)	-	(100,339)	43,270
Total Technology and Office Equipment	\$ 176,508	\$ 16,500	\$ -	\$ 193,008	\$ (121,799)	\$ (21,290)	\$ -	\$ (143,089)	\$ 49,919
Furniture and Fixtures									
Desks, Tables, Racks, Seating	\$ 15,062	\$ -	\$ -	\$ 15,062	\$ (15,170)	\$ (189)	\$ -	\$ (15,359)	\$ (297)
Storage Units	13,600	-	-	13,600	(13,601)	(504)	-	(14,105)	(505)
Aerial Maps, Misc	60,419	-	-	60,419	(31,772)	(5,342)	-	(37,114)	23,305
Appliances	12,810	-	-	12,810	(11,497)	(804)	-	(12,301)	509
Total Furniture and Fixtures	\$ 101,891	\$ -	\$ -	\$ 101,891	\$ (72,040)	\$ (6,839)	\$ -	\$ (78,879)	\$ 23,012
System Franchises, Engineering Studies									
Non-Tangibles	\$ 918,286	\$ 91,251	\$ -	\$ 802,399	\$ (66,560)	\$ (23,895)	\$ -	\$ (90,454)	\$ 711,945
Total System and Engineering Studies	\$ 918,286	\$ 91,251	\$ -	\$ 802,399	\$ (66,560)	\$ (23,895)	\$ -	\$ (90,454)	\$ 711,945
Total Before Construction in Progress	\$ 162,579,270	\$ 4,882,790	\$ -	\$ 167,254,922	\$ (106,791,093)	\$ (1,614,957)	\$ -	\$ (108,406,049)	\$ 58,848,873
Construction In Progress	\$ 2,278,923	\$ 6,474,719	\$ -	\$ 4,519,154	\$ -	\$ -	\$ -	\$ -	\$ 4,519,154
TOTAL CAPITAL ASSETS	\$ 164,858,193	\$ 11,357,509	\$ -	\$ 171,774,076	\$ (106,791,093)	\$ (1,614,957)	\$ -	\$ (108,406,049)	\$ 63,368,027

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION BY DEPARTMENT – STORMWATER FUND

	Capital Assets				Allowance for Depreciation				Net Book Value
	Beginning Balance	Additions	Transfers/ Splits	Ending Balance	Beginning Balance	Additions	Transfers/ Splits	Ending Balance	
Stormwater									
Management	\$ 2,886,143	\$ 91,251	\$ -	\$ 2,770,256	\$ (373,802)	\$ (30,273)	\$ -	\$ (404,074)	\$ 2,366,182
Engineering	312,084	16,500	-	328,584	(191,172)	(21,950)	-	(213,122)	115,462
Maintenance	159,381,043	4,775,039	-	164,156,082	(106,226,119)	(1,562,734)	-	(107,788,853)	56,367,229
Total Stormwater	\$ 162,579,270	\$ 4,882,790	\$ -	\$ 167,254,922	\$ (106,791,093)	\$ (1,614,957)	\$ -	\$ (108,406,049)	\$ 58,848,873
Construction in Process	\$ 2,278,923	\$ 6,474,719	\$ -	\$ 4,519,154	\$ -	\$ -	\$ -	\$ -	\$ 4,519,154
TOTAL CAPITAL ASSETS	\$ 164,858,193	\$ 11,357,509	\$ -	\$ 171,774,076	\$ (106,791,093)	\$ (1,614,957)	\$ -	\$ (108,406,049)	\$ 63,368,027



DEBT SERVICE ACCOUNTS

The various bond resolutions require the creation of accounts designated as Water and Sewerage System Sinking Funds to receive and disburse funds for principal and interest on the bonds and for maintain designated reserves.

The resolutions require monthly transfers into these accounts, which are sufficient to pay the principal of and interest on the bonds, as each mature in each current year. In addition, a debt service reserve must be maintained with a minimum balance governed by the 2012 Bond Series resolutions.

Disbursements made from the Sinking Fund account are restricted to payment for interest, principal at maturity, redemption prior to maturity and paying agent fees.

Funds may be invested in securities which are direct and general obligations of the United States or are guaranteed by the United States as to both principal and interest and which mature within 24 months after the date of purchase or in other securities which are 100% insured or collateralized by United States direct and general obligations.

SCHEDULE OF RESTRICTED ASSETS AND RELATED PAYABLES – DEBT SERVICE ACCOUNTS

Clayton County Water Authority Business-Type Activities Water and Sewer Fund Debt Service Accounts Schedule of Restricted Assets and Related Payables April 30, 2023	
Current Assets:	
Restricted Assets:	
Cash and Cash Equivalents	\$ 20,054,125
Noncurrent Assets:	
Restricted Assets:	
Cash and Cash Equivalents	717,845
Interest Receivable	-
Total Restricted Assets - Debt Service	<u>\$ 20,771,970</u>
Current Liabilities Payable From Restricted Assets:	
Accounts Payable	\$ -
Accrued Interest, due May 1	489,125
Current Portion of Principal	19,565,000
Total Current Liabilities Payable From Restricted Assets	<u>\$ 20,054,125</u>

NOTE: All outstanding bonds issued 2011 through 2014 rank on a parity with each other and have as security for their payment a first lien on the net revenues of the Authority's Water and Sewer Fund.



SCHEDULE OF CHANGES IN RESTRICTED ASSETS – DEBT SERVICE ACCOUNTS

Clayton County Water Authority Business-Type Activities Water and Sewer Fund Debt Service Accounts Schedule of Changes in Restricted Assets For The Fiscal Year Ended April 30, 2023

Beginning Balance, May 1	\$ 40,330,550
Increases:	
Interest Earned	\$ 557,145
Transfers from Operating Account	-
Total Increases	\$ 557,145
Decreases:	
Revenue Bond Interest Paid	\$ 1,409,375
Revenue Bond Principal Paid	18,705,000
Paying Agent and Trustee Fees	1,350
Total Decreases	\$ 20,115,725
Ending Balance, April 30	<u>\$ 20,771,970</u>





SCHEDULE OF REVENUE BONDS PAYABLE

Revenue Bonds	Interest				Annual Payments		Amount of Bonds		
	Interest Rates	Payment Dates	Issue Date	Maturity Date	Maximum	Minimum	Issued	Retired	Outstanding
Series 2012 Water and Sewerage Refunding	3.00 - 5.00%	5/1 and 11/1	2012	5/1/2023	\$19,565,000	\$ -	\$ 56,235,000	\$ 36,670,000	\$ 19,565,000
Totals							\$ 56,235,000	\$ 36,670,000	\$ 19,565,000
Unamortized Premiums									-
Net Revenue Bonds Outstanding									\$ 19,565,000

NOTES TO SCHEDULE OF BONDS PAYABLE:

The maturity date for all bonds is May 1.

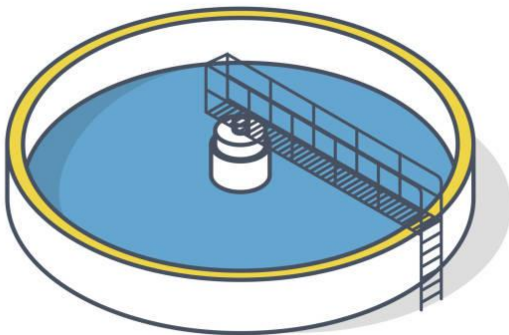
The 2012 Water and Sewerage Refunding Revenue Bonds partially refunded the 2005 Series Bonds.

RENEWAL AND EXTENSION ACCOUNT

A Renewal and Extension account is maintained to ensure that funds are available for plant renewal and replacement. The bond resolutions state that \$1,500,000 is the minimum amount required in the account.

The \$1,500,000 is restricted by the bond resolutions to the following uses:

- An emergency having a major effect upon the water and sewerage system, caused by an extraordinary occurrence, and provided the Revenue Fund has insufficient money to meet the emergency.
- Making replacements, additions, extensions, and improvements deemed reasonable and necessary and in the best interest of the Authority and bondholders, provided the consulting engineer's recommendations and written approval has first been obtained.
- Paying bond principal and interest falling due at any time when money is not available in the Debt Service Account.





SCHEDULE OF RESTRICTED ASSETS AND RELATED PAYABLES – RENEWAL AND EXTENSION ACCOUNT

Business-Type Activities Water and Sewer Fund Renewal and Extension Account Schedule of Restricted Assets and Related Payables April 30, 2023

Current Assets:		
Restricted Assets:		
Cash and Cash Equivalents	\$	3,611,899
Noncurrent Assets:		
Restricted Assets:		
Cash and Cash Equivalents		84,793,319
Total Restricted Assets - Renewal And Extension Account	\$	<u>88,405,218</u>
Current Liabilities Payable From Restricted Assets:		
Accounts Payable	\$	3,611,899
Total Current Liabilities Payable From Restricted Assets	\$	<u>3,611,899</u>

SCHEDULE OF CHANGES IN RESTRICTED ASSETS – RENEWAL AND EXTENSION ACCOUNT

Business-Type Activities Water and Sewer Fund Renewal and Extension Account Schedule of Changes in Restricted Assets For The Fiscal Year Ended April 30, 2023

Beginning Balance, May 1, 2022	\$	72,720,421
Increases:		
Interest Earned	\$	11,391
Impact Fees		1,708,896
Contributions From General Operations		<u>32,755,482</u>
Total Increases	\$	34,475,769
Decreases:		
Capital Expenditures	\$	18,790,972
Ending Balance, April 30, 2023	\$	<u>88,405,218</u>



STATISTICAL SECTION INDEX

SCHEDULES 1-29





STATISTICAL SECTION INDEX

This part of the Clayton County Water Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Authority's financial health.

Financial Trends

Page 137

Schedules 1 through 6 contain trend information to help the user understand and assess how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

Page 143

Schedules 7 through 19 contain information to help the reader assess the factors affecting the Authority's ability to generate its user service charges.

Debt Capacity

Page 156

Schedules 20 and 21 present information to help the user assess the affordability of the Authority's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic and Economic Information

Page 158

Schedules 22 and 23 offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the Authority's financial activities take place and to help make comparisons over time and with other entities.

Operating Information

Page 160

Schedules 24 through 28 contain information about the Authority's operations and resources to help the user understand how the Authority's financial information relates to the services it provides.

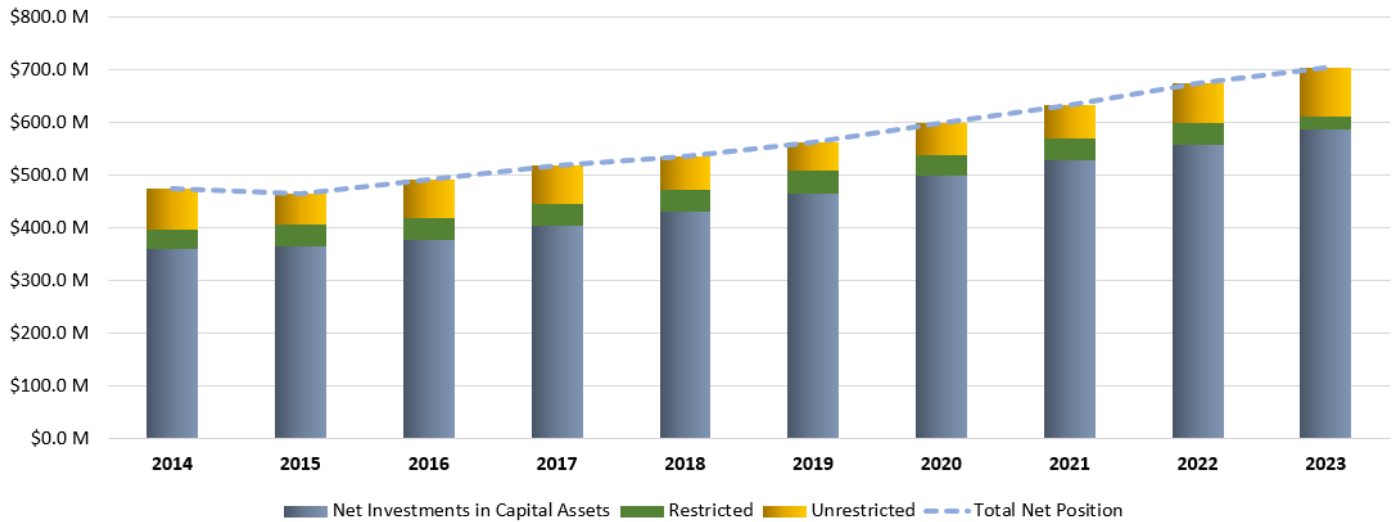
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



SCHEDULE 1: NET POSITION BY COMPONENT

Clayton County Water Authority NET POSITION BY COMPONENT Last Ten Fiscal Years

Primary Government	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Investments in										
Capital Assets	\$ 359,847,929	\$ 365,481,468	\$ 378,009,241	\$ 404,598,481	\$ 430,137,653	\$ 464,827,766	\$ 499,145,358	\$ 528,567,718	\$ 556,851,871	\$ 587,798,545
Restricted	37,591,626	40,616,194	40,933,389	41,237,229	41,556,984	43,047,709	40,410,092	42,083,452	42,457,467	22,901,862
Unrestricted	76,247,397	59,581,468	72,013,809	73,619,344	63,709,736	55,042,013	61,083,235	63,518,858	75,148,214	94,964,759
Total Net Position	\$ 473,686,952	\$ 465,679,130	\$ 490,956,439	\$ 519,455,054	\$ 535,404,373	\$ 562,917,488	\$ 600,638,685	\$ 634,170,028	\$ 674,457,552	\$ 705,665,166



Notes:

¹ The Authority began providing Stormwater Utility Services in Fiscal Year 2008.

² Net Position was restated in fiscal year 2015 due to the implementation of GASB No. 68, Accounting and Reporting for Pensions. Unrestricted net pension was reduced by \$33,607,906 for net pension liability.

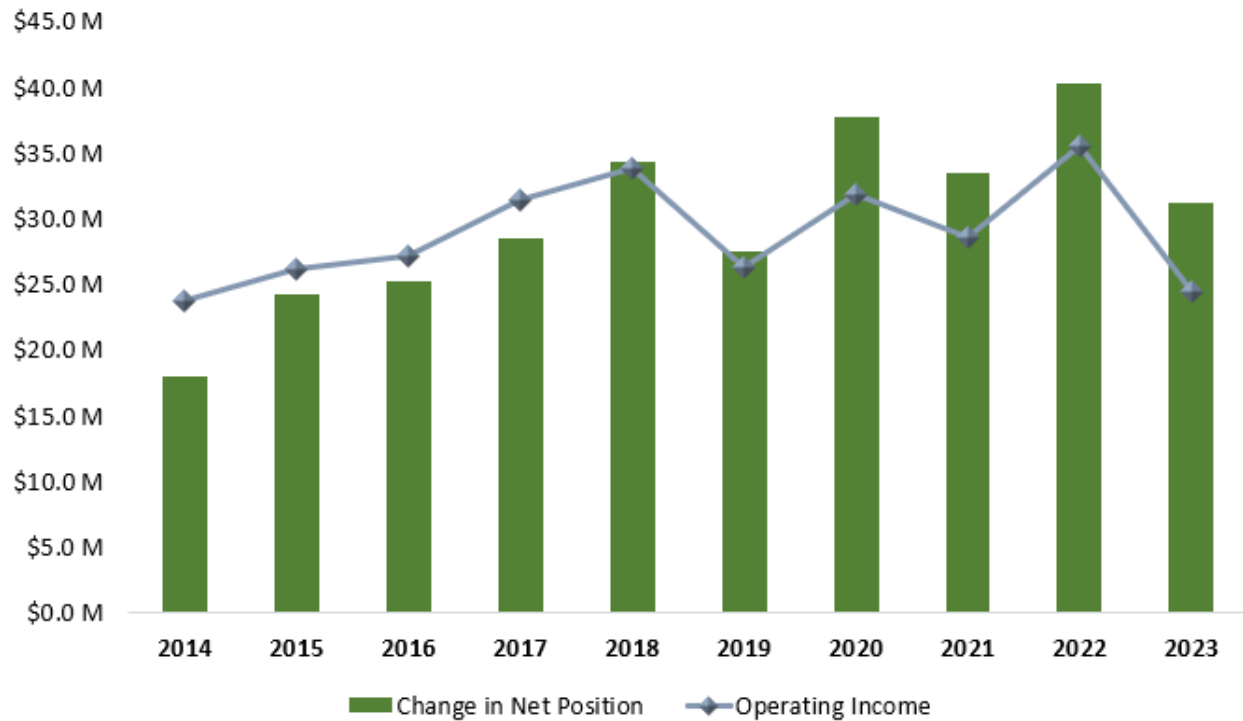
³ Net Position was restated in fiscal year 2018 due to the implementation of GASB Statement No. 75 Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions – an amendment of GASB Statement No. 45 and 57. Unrestricted net position was reduced by \$18,425,639 for net OPEB liability.



SCHEDULE 2: CHANGES IN NET POSITION

Clayton County Water Authority CHANGES IN NET POSITION Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income	Total Nonoperating Revenues/ (Expenses)	Income (Loss) before Capital Contributions	Capital Contributions	Change in Net Position
2014	\$ 98,347,042	\$ 74,621,825	\$ 23,725,217	\$ (6,063,769)	\$ 17,661,448	\$ 348,930	\$ 18,010,378
2015	103,088,847	76,894,781	26,194,066	(5,634,367)	20,559,699	3,713,878	24,273,577
2016	105,466,115	78,265,751	27,200,364	(4,601,897)	22,598,467	2,678,842	25,277,309
2017	112,975,923	81,599,292	31,376,631	(5,147,471)	26,229,160	2,269,455	28,498,615
2018	113,484,810	79,641,734	33,843,076	(4,716,378)	29,126,698	5,248,260	34,374,958
2019	112,410,553	86,062,076	26,348,477	(3,643,440)	22,705,037	4,808,078	27,513,115
2020	114,510,109	82,582,533	31,927,576	(2,590,522)	29,337,054	8,384,143	37,721,197
2021	116,839,678	88,265,716	28,573,962	(2,077,858)	26,496,104	7,035,239	33,531,343
2022	124,588,101	89,076,887	35,511,214	(2,772,681)	32,738,533	7,548,991	40,287,524
2023	131,580,597	107,124,797	24,455,800	702,592	25,158,392	6,049,222	31,207,614



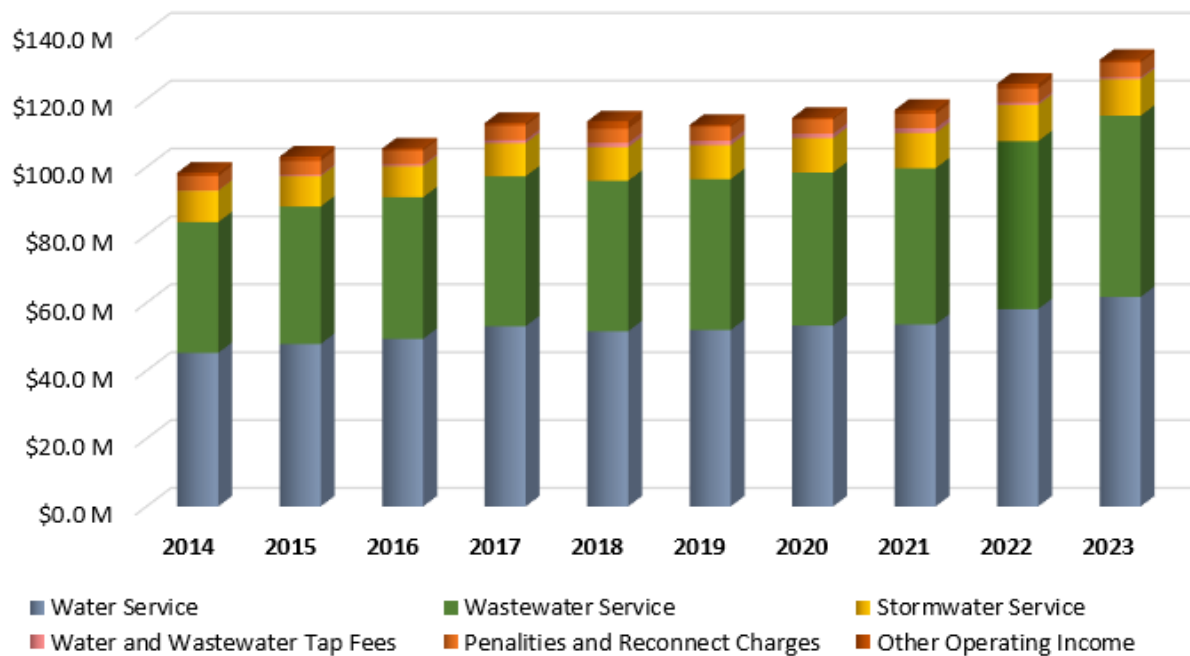
Source: CCWA Financial System and Operational Data



SCHEDULE 3: OPERATING REVENUES BY SOURCE

Clayton County Water Authority OPERATING REVENUES BY SOURCE Last Ten Fiscal Years

Fiscal Year	Water Service	Wastewater Service	Stormwater Service	Water and Wastewater Tap Fees	Penalties and Reconnect Charges	Other Operating Income	Total
2014	\$ 45,257,155	\$ 38,518,066	\$ 9,256,014	\$ 147,245	\$ 4,151,497	\$ 1,017,065	\$ 98,347,042
2015	47,878,265	40,511,433	8,904,863	434,708	4,083,185	1,276,393	103,088,847
2016	49,402,423	41,702,605	9,153,440	543,879	4,084,382	579,386	105,466,115
2017	53,110,970	44,182,570	9,758,230	927,741	4,230,691	765,721	112,975,923
2018	51,638,780	44,316,956	9,869,285	1,308,596	4,168,748	2,182,445	113,484,810
2019	52,010,546	44,449,171	9,955,756	1,334,445	4,158,182	502,453	112,410,553
2020	53,307,263	45,118,031	10,090,477	1,300,050	4,232,414	461,874	114,510,109
2021	53,630,876	46,029,550	10,366,348	1,429,959	4,200,415	1,182,530	116,839,678
2022	58,152,389	49,483,179	10,666,821	679,612	4,118,114	1,487,986	124,588,101
2023	61,730,563	53,384,520	10,784,574	555,362	4,350,951	774,627	131,580,597



Notes:

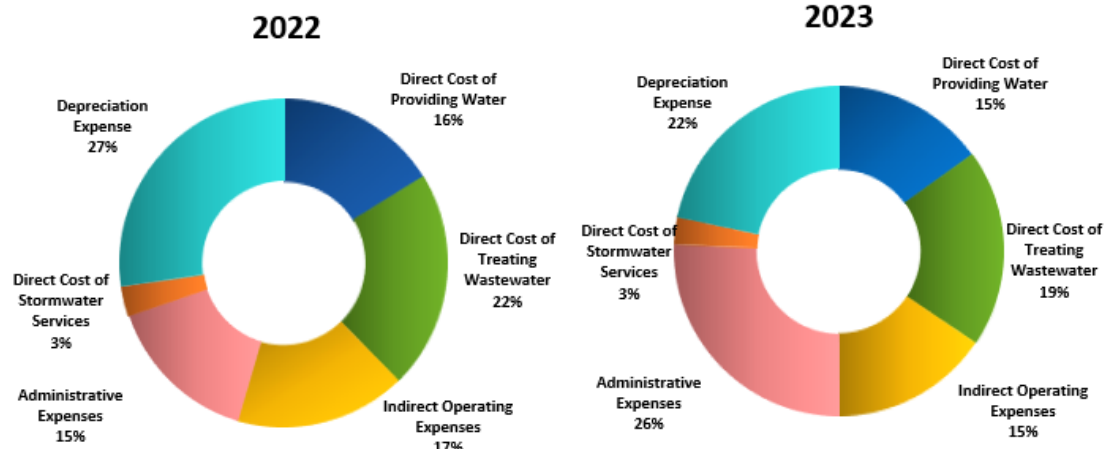
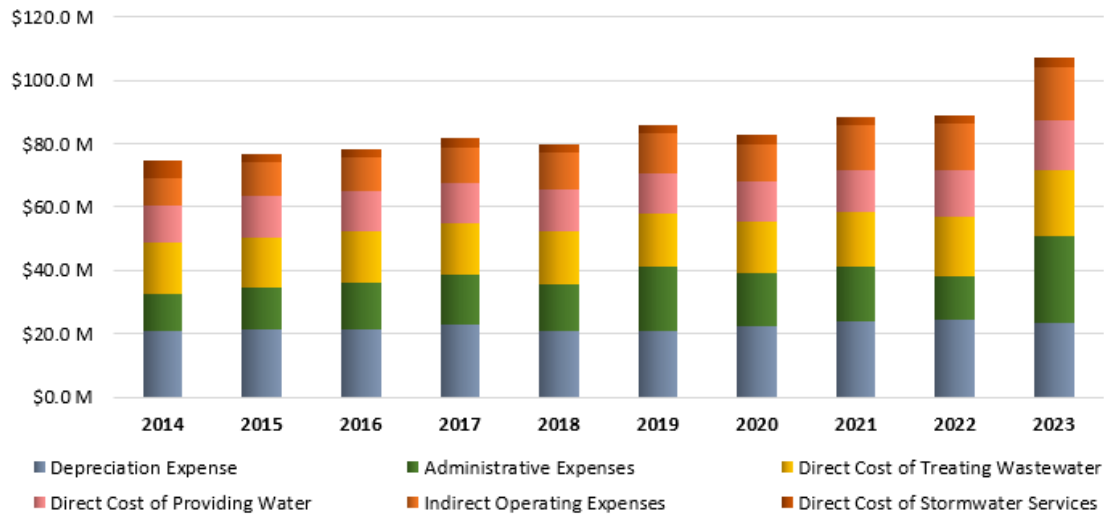
¹ Other Operating Income includes revenues from Sales of Pellets, Timber and Materials, System Damages, Property Rental and Miscellaneous Income.



SCHEDULE 4: OPERATING EXPENSE BY FUNCTION

Clayton County Water Authority OPERATING EXPENSE BY FUNCTION Last Ten Fiscal Years

Fiscal Year	Direct Cost of Providing Water	Direct Cost of Treating Wastewater	Indirect Operating Expenses	Administrative Expenses	Direct Cost of Stormwater Services	Total Expenses before Depreciation	Depreciation Expense	Total Operating Expenses
2014	\$ 11,786,815	\$ 16,068,233	\$ 8,705,040	\$ 11,642,974	\$ 5,393,363	\$ 53,596,425	\$ 21,025,400	\$ 74,621,825
2015	13,172,973	15,478,178	10,645,097	13,129,577	2,877,188	55,303,013	21,591,768	76,894,781
2016	12,754,527	16,469,567	10,511,474	14,831,159	2,520,871	57,087,598	21,178,153	78,265,751
2017	12,656,515	16,246,840	11,196,737	15,870,455	2,854,446	58,824,993	22,774,299	81,599,292
2018	13,206,938	16,450,059	11,528,995	14,833,778	2,654,832	58,674,602	20,967,132	79,641,734
2019	12,669,453	16,521,214	12,614,189	20,573,887	2,989,969	65,368,712	20,693,364	86,062,076
2020	12,916,375	16,078,097	11,745,934	16,775,504	2,755,139	60,271,049	22,311,484	82,582,533
2021	13,103,103	17,206,904	14,369,197	17,406,906	2,424,562	64,510,672	23,755,044	88,265,716
2022	14,449,897	19,117,317	15,036,190	13,614,628	2,565,170	64,783,202	24,293,685	89,076,887
2023	16,104,505	20,746,052	16,674,685	27,564,523	2,826,285	83,916,050	23,208,747	107,124,797



Notes:

¹ Expense detail of business units and their respective function for each category of operating expense can be found in Section IV: Supplementary Information.



SCHEDULE 5: NONOPERATING REVENUES AND EXPENSES

Clayton County Water Authority NONOPERATING REVENUES AND EXPENSES Last Ten Fiscal Years

Fiscal Year	Interest Expense	Interest Income	Gain (Loss) on Disposal of Capital Assets and Other	Net Other Revenues (Expenses)	Total Nonoperating Revenues (Expenses)
2014	\$ (5,376,941)	\$ 35,181	\$ (402,773)	\$ (481,982)	\$ (6,226,515)
2015	(5,188,543)	40,554	(713,394)	(13,185)	(5,874,568)
2016	(4,701,058)	119,358	(9,601)	(10,596)	(4,601,897)
2017	(4,250,920)	206,141	(1,093,078)	(9,614)	(5,147,471)
2018	(3,938,428)	465,865	(1,237,170)	(6,645)	(4,716,378)
2019	(3,519,088)	757,399	(875,711)	(6,040)	(3,643,440)
2020	(2,533,392)	585,595	(637,235)	(5,490)	(2,590,522)
2021	(2,100,296)	131,842	(108,184)	(1,220)	(2,077,858)
2022	(1,516,294)	52,068	345,436	(1,653,891)	(2,772,681)
2023	(652,982)	581,696	780,228	(6,350)	702,592

Notes:

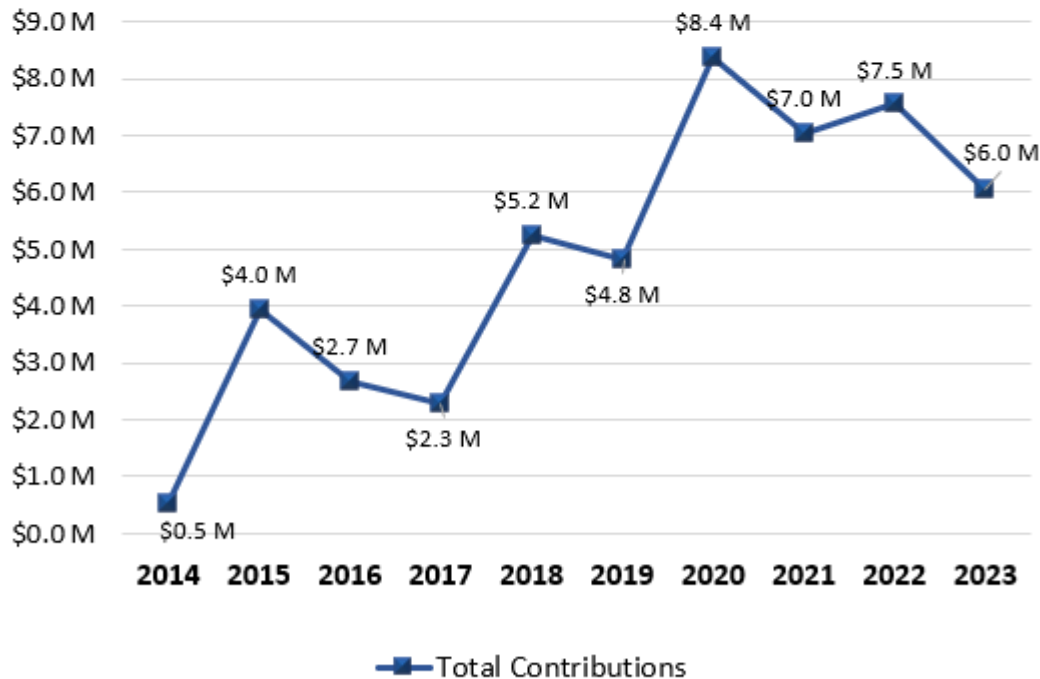
¹ Gain (Loss) on Disposal of Assets and Other includes gains and losses recognized from self-funded medical insurance.



SCHEDULE 6: ANNUAL CAPITAL CONTRIBUTIONS BY SOURCE

Clayton County Water Authority ANNUAL CAPITAL CONTRIBUTIONS BY SOURCE Last Ten Fiscal Years

Fiscal Year	Impact Fees	Other Governments	Subdividers		Total Contributions
			Donated Infrastructure	Donated Other Assets	
2014	\$ 292,035	\$ 162,746	\$ 56,000	\$ 895	\$ 511,675
2015	927,778	615,201	2,213,954	197,146	3,954,079
2016	1,220,074	76,845	1,133,323	248,600	2,678,842
2017	1,334,529	249,500	685,426	-	2,269,455
2018	2,580,852	416,710	2,250,698	-	5,248,260
2019	1,891,142	562,209	2,354,727	-	4,808,078
2020	1,506,497	1,024,382	5,853,264	-	8,384,143
2021	1,765,123	50,226	5,219,890	-	7,035,239
2022	1,463,710	471,258	4,821,795	792,228	7,548,991
2023	1,708,896	1,190,251	3,150,075	-	6,049,222



Notes:

¹ Grant Subsidy column includes grants and reimbursements from Other Governments.

² Donated Infrastructure and Donated Assets are contributed to the Authority by commercial and residential developers when construction is completed.

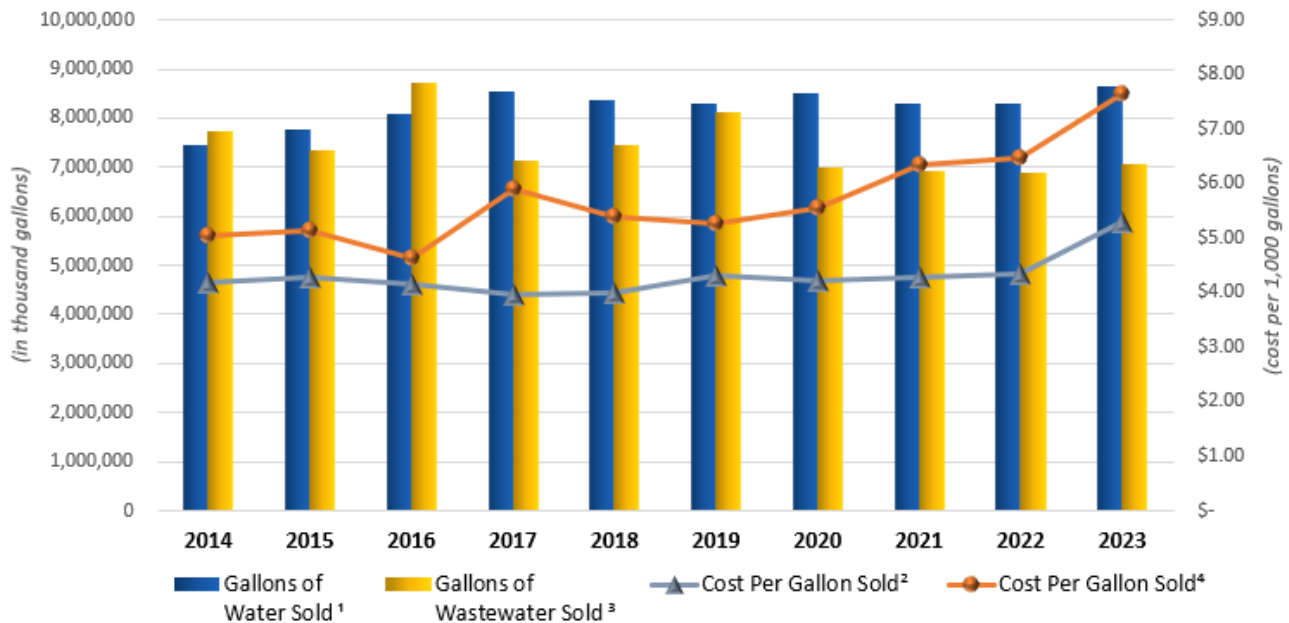


SCHEDULE 7: GALLONS OF WATER SOLD AND WASTEWATER TREATED

Clayton County Water Authority GALLONS OF WATER SOLD AND WASTEWATER TREATED Last Ten Fiscal Years

(in thousand gallons)

Fiscal Year	Gallons of Water Sold ¹	Cost Per Gallon Sold ²	Gallons of Wastewater Sold ³	Cost Per Gallon Sold ⁴
2014	7,444,278	\$ 4.17	7,727,264	\$ 5.04
2015	7,767,732	4.28	7,329,418	5.15
2016	8,051,729	4.14	8,703,540	4.61
2017	8,539,097	3.96	7,100,709	5.88
2018	8,358,331	3.99	7,451,024	5.39
2019	8,271,269	4.30	8,102,896	5.27
2020	8,503,072	4.22	6,961,837	5.53
2021	8,284,002	4.29	6,891,399	6.33
2022	8,270,073	4.34	6,885,203	6.46
2023	8,625,430	5.28	7,030,173	7.65



Notes:

¹ See Schedule 7, Gallons of Water Consumed

² See Schedule 27, Itemized cost per gallon

³ See Schedule 10, Gallons of Wastewater Treated

⁴ See Schedule 28, Itemized cost per gallon

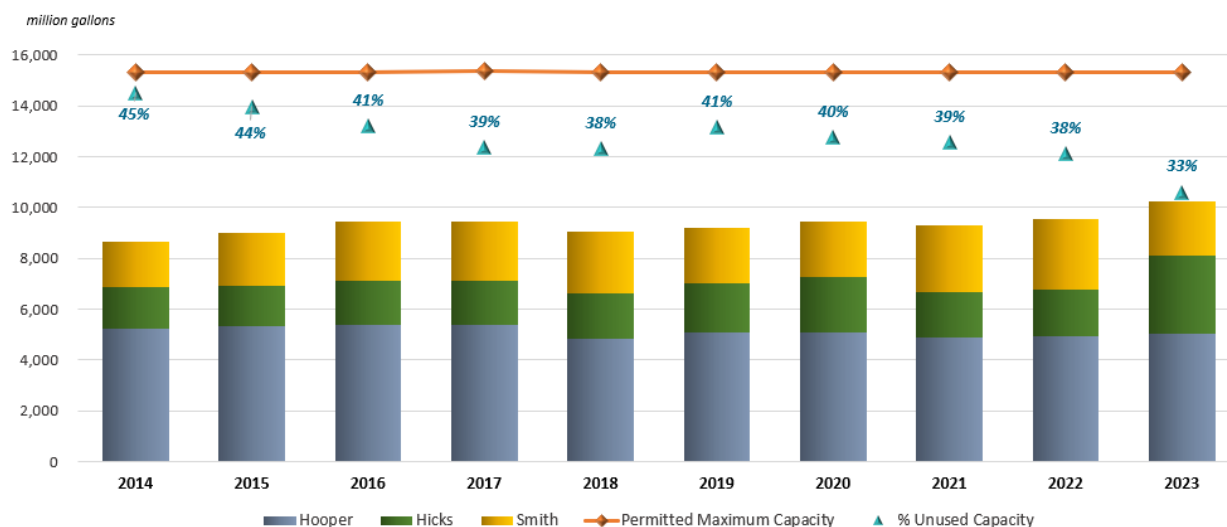


SCHEDULE 8: ANNUAL WATER PRODUCED BY PLANT

Clayton County Water Authority ANNUAL WATER PRODUCED BY PLANT Last Ten Fiscal Years

(in million gallons)

Water Production Plant	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Daily Plant Capacity (MGD)	Annual Permitted Capacity	Annual Unused Capacity	% Unused Capacity
Hooper	5,242	5,344	5,400	5,400	4,846	5,063	5,082	4,897	4,930	5,034	20	7,300	2,266	31%
Hicks	1,605	1,577	1,698	1,698	1,758	1,938	2,186	1,777	1,819	3,062	10	3,650	588	16%
Smith	1,788	2,073	2,325	2,325	2,424	2,214	2,173	2,634	2,785	2,153	12	4,380	2,227	51%
Wells	9	8	10	13	3	2	2	0	0	0	1	331	331	100%
Total Water Produced	8,643	9,001	9,433	9,436	9,031	9,217	9,443	9,308	9,534	10,249	42	15,330	5,081	33%



Additional Supply	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Daily Plant Capacity (MGD)	Annual Permitted Capacity	Annual Unused Capacity	% Unused Capacity
Imported Water (Interconnects)	0	4	0	15	1	407	24	5	0	31	15	5,428	5,397	99.43%

Source: CCWA Operational Data



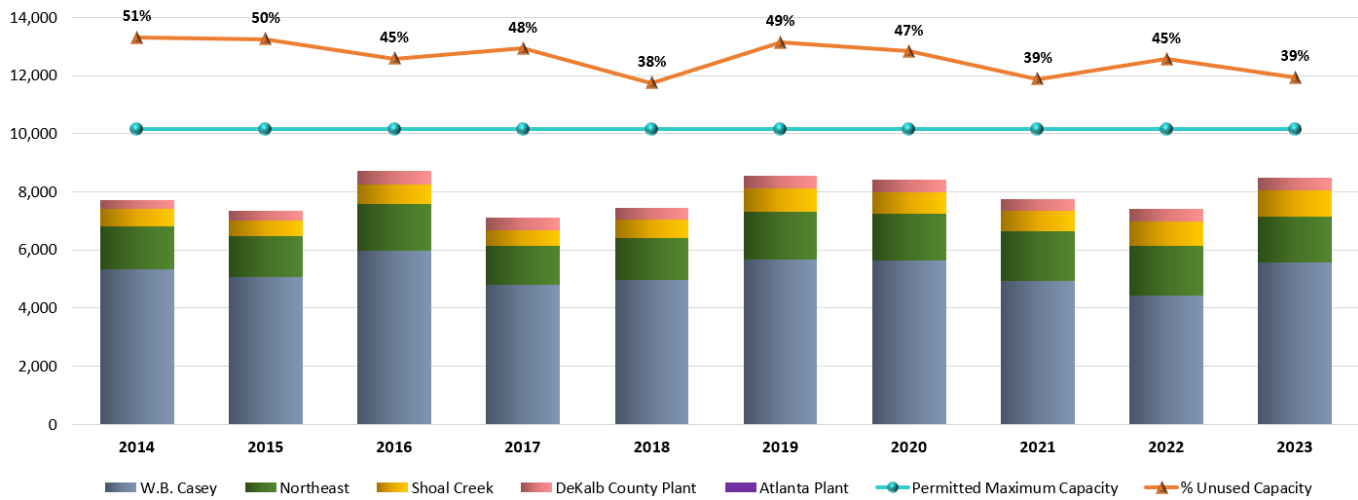
SCHEDULE 9: ANNUAL WASTEWATER TREATED BY PLANT

Clayton County Water Authority ANNUAL WASTEWATER TREATED BY PLANT Last Ten Fiscal Years

(in million gallons)

Water Reclamation Plant	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Daily Plant Capacity (MGD)	Annual Permitted Capacity	Annual Unused Capacity	% Unused
W.B. Casey	5,333	5,060	5,976	4,798	4,955	5,661	5,639	4,920	4,438	5,575	24.0	6,351	776	12%
Northeast	1,475	1,404	1,601	1,341	1,460	1,636	1,616	1,715	1,699	1,576	10.0	2,190	614	28%
Shoal Creek	587	531	681	544	616	806	739	703	852	911	4.4	1,606	695	43%
DeKalb County Plant	333	334	447	417	420	453	437	423	437	429	1.0	N/A	N/A	N/A
Atlanta Plant	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A
Total Wastewater Treated	7,728	7,329	8,704	7,101	7,451	8,556	8,431	7,761	7,426	8,491	39.4	10,147	2,085	21%

million gallons



Source: CCWA Operational Data

Notes:

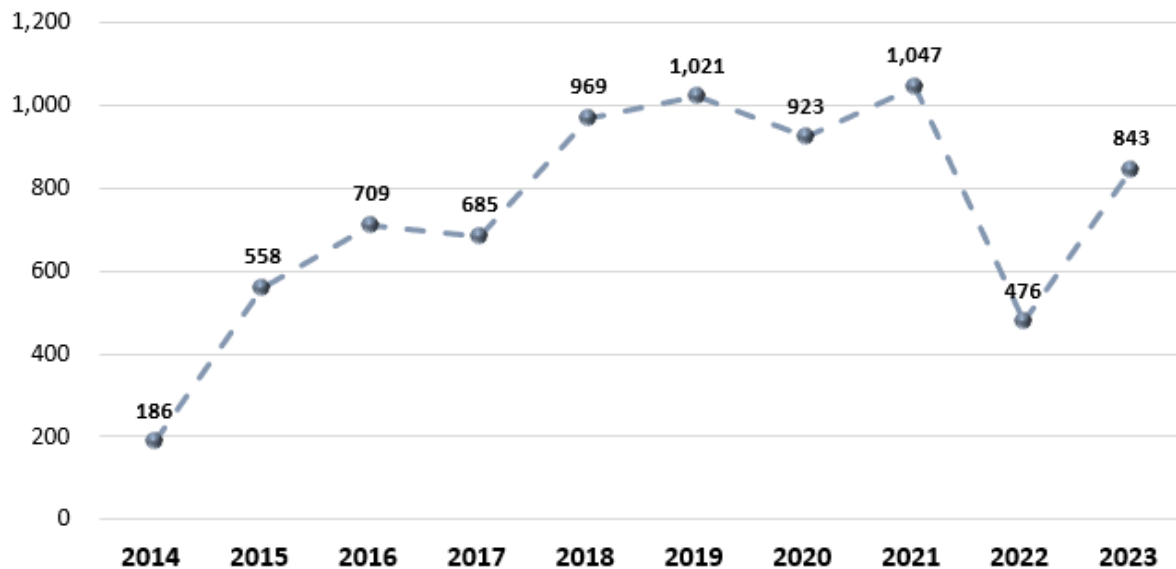
¹ CCWA's new Atlanta Lift Station became operational in FY 2010 and the flows previously going to the Atlanta Plant were redirected to Casey.



SCHEDULE 10: ANNUAL NEW WATER METER SETTINGS

Clayton County Water Authority ANNUAL NEW WATER METER SETTINGS Last Ten Fiscal Years

Fiscal Year	Total Meter Settings	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8" +
2014	186	131	12	35	1	5	1	0	1	0
2015	558	471	23	42	4	11	1	1	4	1
2016	709	634	20	30	6	9	2	3	2	3
2017	685	632	8	25	4	10	1	1	2	2
2018	969	809	14	109	7	14	4	2	1	9
2019	1,021	726	71	197	4	10	2	1	3	7
2020	923	350	279	269	4	14	2	1	2	2
2021	1,047	429	454	73	17	22	14	5	11	22
2022	476	161	204	68	6	18	1	4	2	12
2023	843	462	221	72	10	27	9	6	10	26



Source: CCWA Operational Data



SCHEDULE 11: MINIMUM MONTHLY WATER CHARGES AND BASE CHARGES

Clayton County Water Authority
MINIMUM MONTHLY WATER CHARGES AND BASE CHARGES
 Last Ten Fiscal Years

		<i>Size of Customer Meter</i>									
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
Corresponding Minimum Usage (In Thousand Gallons)		3	4	8	25	56	111	167	222	333	444
Minimum Monthly Water Charge:											
January 1, 2012 - December 31, 2012		\$ 10.20	\$ 13.60	\$ 27.20	\$ 85.00	\$ 190.40	\$ 377.40	\$ 567.80	\$ 754.80	\$1,132.20	\$1,509.60
January 1, 2013 - December 31, 2013		\$ 11.73	\$ 15.64	\$ 31.28	\$ 97.75	\$ 218.96	\$ 434.01	\$ 652.97	\$ 868.02	\$1,302.03	\$1,736.04
January 1, 2014 - April 30, 2016		\$ 12.33	\$ 16.44	\$ 32.88	\$ 102.75	\$ 230.16	\$ 456.21	\$ 686.37	\$ 912.42	\$1,368.63	\$1,824.84
May 1, 2016 - December 31, 2020		\$ 12.96	\$ 17.28	\$ 34.56	\$ 108.00	\$ 241.92	\$ 479.52	\$ 721.44	\$ 959.04	\$1,438.56	\$1,918.08
January 1, 2021 - December 31, 2021		\$ 13.62	\$ 18.16	\$ 36.32	\$ 113.50	\$ 254.24	\$ 503.94	\$ 758.18	\$1,007.88	\$1,511.82	\$2,015.76
January 1, 2022 - December 31, 2022		\$ 13.62	\$ 18.16	\$ 36.32	\$ 113.50	\$ 254.24	\$ 503.94	\$ 758.18	\$1,007.88	\$1,511.82	\$2,015.76
January 1, 2023 - December 31, 2023		\$ 14.03	\$ 18.70	\$ 37.41	\$ 116.91	\$ 261.87	\$ 519.06	\$ 780.93	\$1,038.12	\$1,557.17	\$2,076.23
Corresponding Minimum Usage (In Thousand Gallons)		3	4	6	20	45	89	134	178	266	355
August 1, 2009 - Present		\$ 14.43	\$ 19.24	\$ 28.86	\$ 96.20	\$ 216.45	\$ 428.57	\$ 644.54	\$ 856.18	\$1,279.46	\$1,707.55
Base Charge Dependent on Meter Size		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
January 1, 2012 - December 31, 2012		\$ 8.93	\$ 9.45	\$ 12.08	\$ 21.00	\$ 42.00	\$ 63.00	\$ 78.75	\$ 117.60	\$ 147.00	\$ 176.40
January 1, 2013 - December 31, 2013		\$ 9.38	\$ 9.92	\$ 12.68	\$ 22.05	\$ 44.10	\$ 66.15	\$ 82.69	\$ 123.48	\$ 154.35	\$ 185.22
January 1, 2014 - April 30, 2016		\$ 9.85	\$ 10.42	\$ 13.31	\$ 23.15	\$ 46.31	\$ 69.46	\$ 86.82	\$ 126.65	\$ 162.07	\$ 194.48
May 1, 2016 - December 31, 2020		\$ 10.05	\$ 10.62	\$ 13.58	\$ 23.62	\$ 47.23	\$ 70.85	\$ 88.56	\$ 132.25	\$ 165.31	\$ 198.37
January 1, 2021 - December 31, 2021		\$ 11.05	\$ 11.69	\$ 14.94	\$ 25.98	\$ 51.95	\$ 77.93	\$ 97.42	\$ 145.47	\$ 181.84	\$ 218.21
January 1, 2022 - December 31, 2022		\$ 11.60	\$ 12.27	\$ 15.69	\$ 27.28	\$ 54.55	\$ 81.83	\$ 102.29	\$ 152.74	\$ 190.93	\$ 229.12
January 1, 2023 - December 31, 2023		\$ 11.95	\$ 12.64	\$ 16.16	\$ 28.10	\$ 56.19	\$ 84.28	\$ 105.36	\$ 132.25	\$ 165.31	\$ 198.37

Notes:

Based on the size of their meters, customers are billed a minimum usage or base charge regardless of their actual consumption. Any usage in excess of the minimum or base charge is assessed an additional charge based on the per thousand gallon rate shown on Schedule 15.

¹ On January 1, 2008, the Authority instituted a tiered rate structure for Residential Customers. There was no increase in the minimum for those customers.

² On August 1, 2009 the corresponding minimum usage for some meter sizes changed. The minimum bill for residential customers remained at \$13.62.

³ On September 1, 2010, a base charge dependent on the size of the customer's meter was implemented.

⁴ On January 1, 2021, the Board of Directors approved a 10 percent rate adjustment on both base and usage tiers as part of the FY 2020 - 2021 budget adoption.

⁵ The Board of Directors approved a 5 percent rate adjustment on both base and usage tiers as part of the FY 2021 - 2022 budget adoption.

⁶ The Board of Directors approved a 3 percent rate adjustment on both base and usage tiers as part of the FY 2022 - 2023 budget adoption.

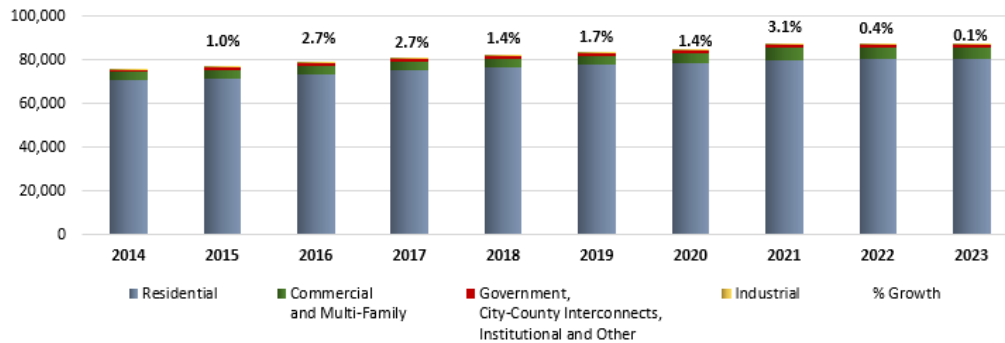
⁷ The Board of Directors approved a 8 percent rate adjustment on both base and usage tiers as part of the FY 2023 - 2024 amended budget.



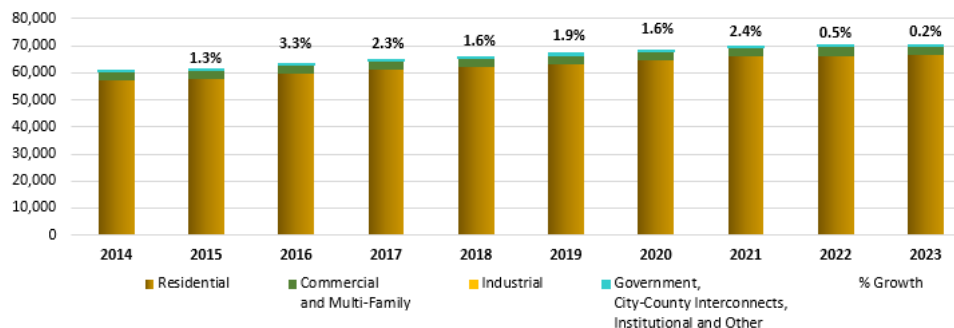
SCHEDULE 12: NUMBER OF WATER AND WASTEWATER CUSTOMERS BY TYPE

Clayton County Water Authority NUMBER OF WATER AND WASTEWATER CUSTOMERS BY TYPE Last Ten Fiscal Years

Fiscal Year	Residential	Commercial and Multi-Family	Industrial	Government, City-County Interconnects, Institutional and Other	Total Water Customers	% Growth
2014	70,536	4,080	46	879	75,541	
2015	71,272	4,093	48	902	76,315	1.0%
2016	73,263	4,138	51	958	78,410	2.7%
2017	75,254	4,180	53	1,010	80,497	2.7%
2018	76,342	4,216	53	1,036	81,647	1.4%
2019	77,633	4,200	56	1,108	82,997	1.7%
2020	78,738	4,232	55	1,110	84,135	1.4%
2021	79,989	5,298	76	1,375	86,738	3.1%
2022	80,311	5,216	74	1,526	87,127	0.4%
2023	80,371	5,309	71	1,488	87,239	0.1%



Fiscal Year	Residential	Commercial and Multi-Family	Industrial	Government, City-County Interconnects, Institutional and Other	Total Sewer Customers	% Growth
2014	57,022	3,163	31	561	60,777	
2015	57,750	3,188	32	582	61,552	1.3%
2016	59,744	3,181	29	602	63,556	3.3%
2017	61,090	3,240	37	661	65,028	2.3%
2018	62,070	3,274	37	676	66,057	1.6%
2019	63,316	3,251	39	733	67,339	1.9%
2020	64,429	3,274	39	699	68,441	1.6%
2021	65,965	3,342	46	705	70,058	2.4%
2022	66,305	3,309	47	777	70,438	0.5%
2023	66,404	3,354	45	753	70,556	0.2%



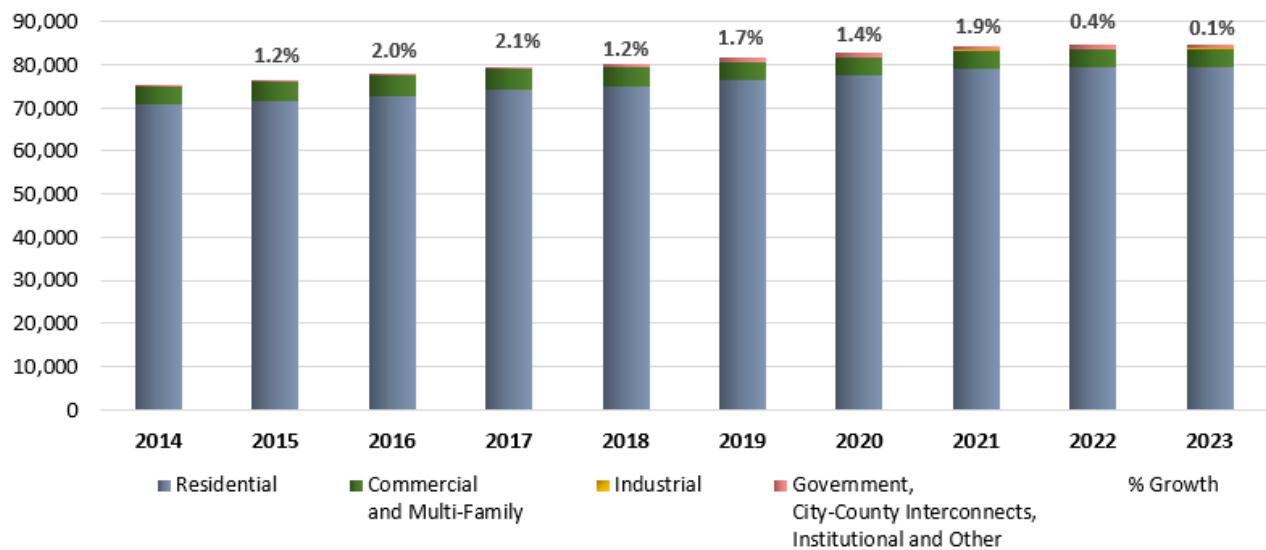
Source: CCWA Operational Data



SCHEDULE 13: NUMBER OF STORMWATER CUSTOMERS BY TYPE

Clayton County Water Authority
NUMBER OF STORMWATER CUSTOMERS BY TYPE
 Last Ten Fiscal Years

Fiscal Year	Residential	Commercial and Multi-Family	Industrial	Government, City-County Interconnects, Institutional and Other	Total Stormwater Customers	% Growth
2014	70,809	4,191	46	285	75,331	
2015	71,738	4,181	47	286	76,252	1.2%
2016	72,909	4,519	47	299	77,774	2.0%
2017	74,194	4,829	48	302	79,373	2.1%
2018	75,140	4,273	48	863	80,324	1.2%
2019	76,457	4,202	48	943	81,650	1.7%
2020	77,588	4,235	47	926	82,796	1.4%
2021	79,146	4,225	47	926	84,344	1.9%
2022	79,481	4,227	45	921	84,674	0.4%
2023	79,540	4,228	41	952	84,761	0.1%



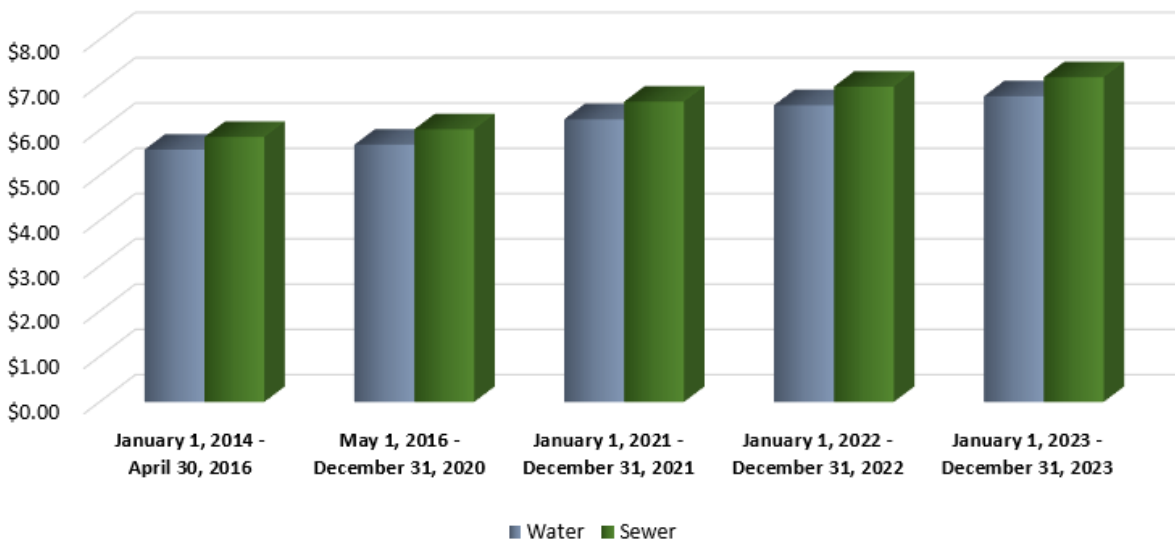
Source: CCWA Operational Data



SCHEDULE 14: WATER AND SEWER RATES

Clayton County Water Authority WATER AND SEWER USAGE RATES Last Ten Fiscal Years

Period	Usage Rate per 4k-7k Gallons	Usage Rate over 3k Gallons
	Water	Sewer
¹ January 1, 2014 - April 30, 2016	\$5.57	\$5.85
² May 1, 2016 - December 31, 2020	\$5.68	\$6.02
³ January 1, 2021 - December 31, 2021	\$6.24	\$6.63
⁴ January 1, 2022 - December 31, 2022	\$6.55	\$6.96
⁵ January 1, 2023 - December 31, 2023	\$6.75	\$7.17



Notes:

Rates are applicable to customer usage after the minimum has been met. The minimum and the base rate are determined by the customer's meter size.

Adjustments to water and sewer rates must be approved by the Board of Directors.

* As a means of implementing conservation measures, the rate structure was changed to reflect a tiered approach for residential customers.

¹ With the implementation of the base rate, residential customers were charged only \$2.21 (water) and \$2.37 (sewer) for the first three thousand gallons of usage.

² Rate adjustment 2% for water base and usage and 3% for sewer base and sewer.

³ Rate adjustment of 10% for water and sewer base and usage rates, effective January 1, 2021

⁴ Rate adjustment of 5% for water and sewer base and usage rates, effective January 1, 2022

⁵ Rate adjustment of 3% for water and sewer base and usage rates, effective January 1, 2023



SCHEDULE 15: STORMWATER RATES

Clayton County Water Authority STORMWATER RATES Last Ten Fiscal Years

Period	Residential	Commercial
May 1, 2013 - Present	\$3.75 per household	\$3.75 per 2,950 square feet

Notes:

¹ The Authority began providing Stormwater Utility Services in Fiscal Year 2008.

² Stormwater fees are based on the amount of impervious surfaces located on a parcel.

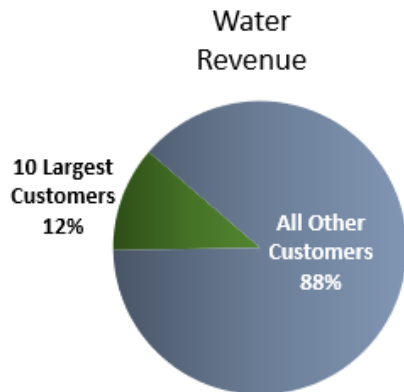
³ For ease of administration, there is a standard rate for residential lots.



SCHEDULE 16: TEN LARGEST WATER AND WASTEWATER CUSTOMERS MEASURED BY CONSUMPTION IN GALLONS AND WATER AND WASTEWATER REVENUES

Clayton County Water Authority
TEN LARGEST WATER AND WASTEWATER CUSTOMERS
MEASURED BY CONSUMPTION IN GALLONS AND WATER AND WASTEWATER REVENUES
 For the Fiscal Year Ended April 30, 2023

Water			Wastewater		
Customer	Revenue	Percent	Customer	Revenue	Percent
Fresh Express	\$ 1,446,018	2.34%	Fresh Express	\$ 1,844,518	3.46%
Clayton County Board of Education	1,142,994	1.85%	Hunter Ridge MHP LLC	750,814	1.41%
Clayton Co Bd of Commissioners	984,253	1.59%	Clayton County Board of Commission	680,838	1.28%
City of College Park	816,794	1.32%	Clayton County Board of Education	491,242	0.92%
Clorox Co	801,322	1.30%	Club Chef Southeast LLC	288,700	0.54%
Hunter Ridge Mhp LLC	696,251	1.13%	Clorox Co	271,592	0.51%
Clayton State University	383,740	0.62%	Riverwalk Lane Legacy Apartments LL	251,667	0.47%
House of Raeford Farms	326,056	0.53%	Marcres Sales Inc	246,513	0.46%
Tara MHP Jonesboro GA LLC	289,732	0.47%	Toto USA Inc	223,560	0.42%
Deer Creek MHP Stockbridge GA LLC	280,125	0.45%	Kabobs Inc	221,789	0.42%
10 Largest Customers	\$ 7,167,285	11.61%	10 Largest Customers	\$ 5,271,234	9.87%
All Other Customers	54,563,278	88.39%	All Other Customers	48,113,286	90.13%
Total	\$ 61,730,563	100.00%	Total	\$ 53,384,520	100.00%



Notes:

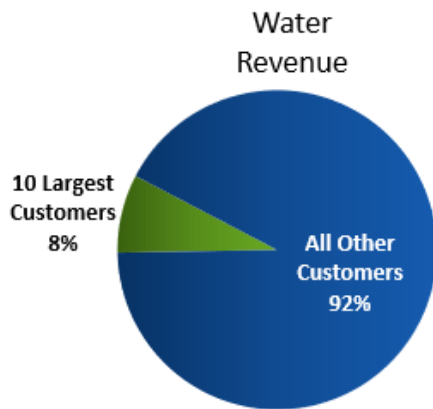
- ¹ Dollar values reflected include base rate charges, as well as, multiple meters on various accounts.
² Information is from customer service billing records.
³ CCWA has a wholesale agreement with City of College Park.



SCHEDULE 17: TEN LARGEST WATER AND WASTEWATER CUSTOMERS MEASURED BY CONSUMPTION IN GALLONS AND WATER AND WASTEWATER REVENUES (TEN YEARS AGO)

Clayton County Water Authority
TEN LARGEST WATER AND WASTEWATER CUSTOMERS
MEASURED BY CONSUMPTION IN GALLONS AND WATER AND WASTEWATER REVENUES
 For the Fiscal Year Ended April 30, 2014 *(Ten Years Ago)*

Name of Company or Customer	Water		Wastewater	
	Revenue	Percent	Revenue	Percent
Fresh Express	\$ 1,119,841	2.28%	\$ 1,770,289	4.23%
City of College Park	909,931	1.85%	-	0.00%
Clorox Company	536,515	1.09%	182,727	0.44%
Southern Regional Hospital	257,133	0.52%	167,597	0.40%
Clayton County Commisioners	242,127	0.49%	254,454	0.61%
Macre Sales Inc.	192,340	0.39%	222,019	0.53%
Hunters Ridge Mobile Home Park	170,717	0.35%	179,767	0.43%
Deer Creek Estates	166,410	0.34%	172,797	0.41%
Clayton County Detention Center	164,050	0.33%	146,204	0.35%
Toto USA, Inc.	139,179	0.28%	191,855	0.46%
10 Largest Customers	\$ 3,898,245	7.93%	\$ 3,287,708	7.86%
All Other Customers	45,257,155	92.07%	38,518,066	92.14%
Total	\$ 49,155,400	100.00%	\$ 41,805,774	100.00%



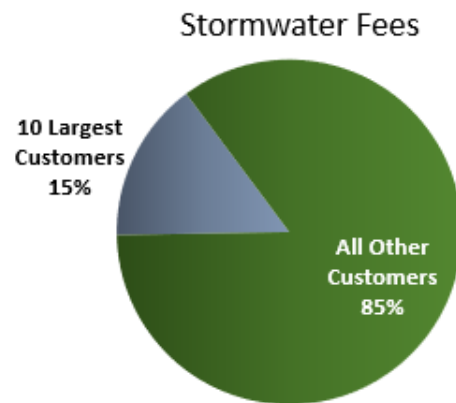
Source: CCWA Operational Data



SCHEDULE 18: TEN LARGEST CUSTOMERS MEASURED BY STORMWATER USER FEES

Clayton County Water Authority
STORMWATER UTILITY
TEN LARGEST CUSTOMERS MEASURED BY STORMWATER USER FEES
 For the Fiscal Year Ended April 30, 2023

Customer	Stormwater Fees	Percent
Department of Aviation (<i>Hartsfield-Jackson Airport</i>)	\$ 620,009	5.75%
Clayton County Board of Education	358,585	3.32%
Clayton County Board of Commissioners	144,322	1.34%
Georgia Power Co	114,881	1.07%
Georgia Dept of Agriculture	84,575	0.78%
Kroger	78,398	0.73%
J C Penney Catalog Division	62,631	0.58%
Weeks Robinson Properties	58,119	0.54%
Hunter Ridge MHP LLC	55,126	0.51%
Site Manager	50,492	0.47%
10 Largest Customers	\$ 1,627,138	15.09%
All Other Customers	9,157,436	84.91%
Total	\$ 10,784,574	100.00%



Notes:

¹ FY 2007 - 2008 was the first year of the Stormwater Utility.

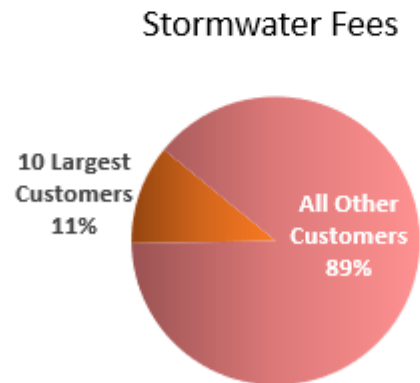
² FY 2020 - 2021 implementation of new Customer Information System (CIS) - Cayenta; Department of Aviation receives credits for conservation in old CIS, these credits reduced gross revenue versus in new system gross revenue is received and credits are expensed as an expense



SCHEDULE 19: TEN LARGEST CUSTOMERS MEASURED BY STORMWATER USER FEES (TEN YEARS AGO)

Clayton County Water Authority Ten Largest Stormwater Customers For The Fiscal Year Ended April 30, 2014 (Ten years Ago)

Customer	Stormwater Fees	Percent
Department of Aviation (Hartsfield-Jackson Airport)	\$ 567,972	6.14%
Director of Resource Management (Ft. Gillem)	142,955	1.54%
Georgia Department of Agriculture	83,098	0.90%
Forest Park (Ft Gillem ILRA)	57,873	0.63%
Site Manager (Ft Gillem)	41,997	0.45%
Federal Express	25,875	0.28%
JC Penney Catalog Division	31,092	0.34%
SB Capital Acquisitions, LLC	29,883	0.32%
Hunters Ridge Mobile Home Park	24,491	0.26%
Georgia Power Mundys Mill Road	28,292	0.31%
10 Largest Customers	\$1,033,528	11.17%
All Other Customers	8,222,486	88.83%
Total	\$9,256,014	100%



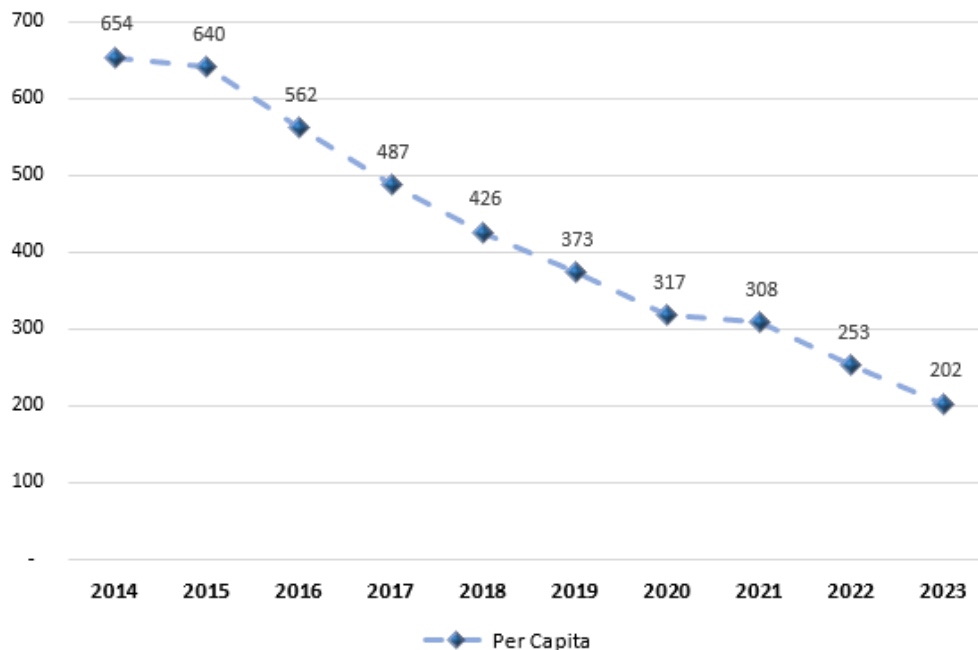
Source: CCWA Operational Data



SCHEDULE 20: RATIOS OF OUTSTANDING DEBT BY TYPE

Clayton County Water Authority RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Revenue Bonds	GEFA Loans	Total Amount	Per Capita	% of Per Capita Personal Income
2014	180,116,610	7,879,126	187,995,736	654	2.66%
2015	163,953,530	7,310,101	171,263,631	640	3.47%
2016	147,250,664	6,724,191	153,974,855	562	2.19%
2017	130,017,798	6,119,630	136,137,428	487	1.98%
2018	112,349,932	6,604,761	118,954,693	426	1.73%
2019	94,555,071	11,839,256	106,394,327	373	1.37%
2020	75,495,210	16,400,550	91,895,760	317	1.13%
2021	58,471,807	30,785,857	89,257,664	308	1.10%
2022	39,388,403	33,831,170	73,219,573	253	0.90%
2023	19,565,000	40,651,092	60,216,092	202	0.72%



Notes:

¹ Certain economic information was not available for this period, the prior period's data for population and personal income was used in the calculation.

² Revenue Bonds equal the Revenue Bonds Payable (net of premium).

³ Sources for demographic data:

U.S. Department of Commerce, Bureau of Economic Analysis

U.S. Department of Labor, Bureau of Labor Statistics

U.S. Census Bureau (<http://quickfacts.census.gov/qfd/states/13/13063.html>)

Latest data available is from 2018

⁴ Population and Per Capita Income on Schedule 22 - Demographics.



SCHEDULE 21: DEBT SERVICE COVERAGE

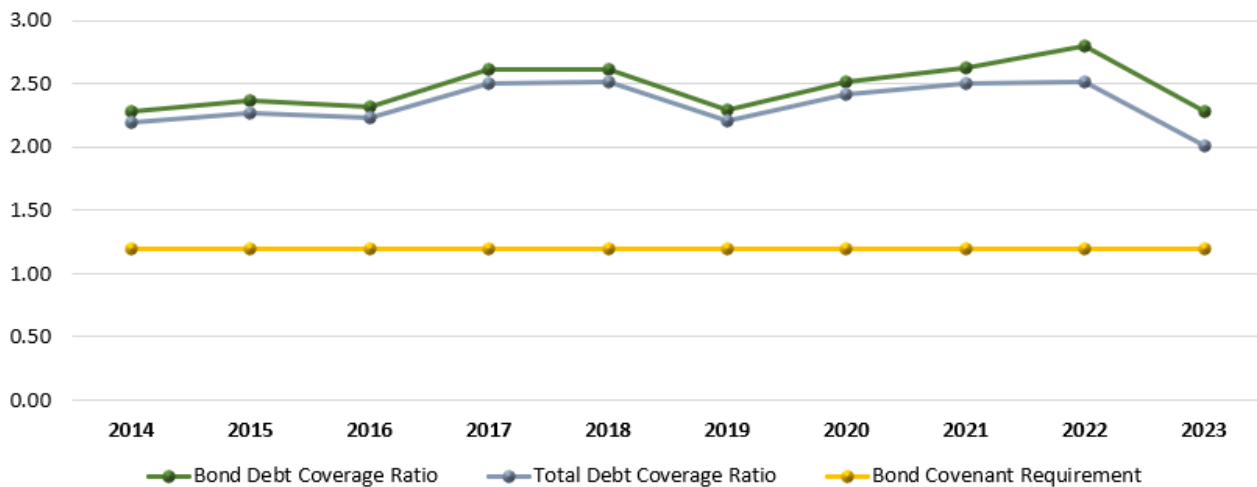
Clayton County Water Authority

DEBT SERVICE COVERAGE

Water and Sewer Fund

Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses (excludes Deprec)	Net Cash Flow Available for Debt Service	Bond Annual Debt Service	Bond Debt Coverage Ratio	GEFA Loan Debt Service	Total Debt Coverage Ratio	Bond Covenant Requirement
2014	\$ 89,383,063	\$ 44,287,188	\$ 45,095,875	\$ 19,783,983	2.28	\$ 797,647	2.19	1.20
2015	95,320,360	48,612,496	46,707,864	19,780,828	2.36	797,647	2.27	1.20
2016	97,429,249	51,317,854	46,111,395	19,879,133	2.32	797,647	2.23	1.20
2017	104,702,175	52,617,533	52,084,642	19,968,503	2.61	797,647	2.51	1.20
2018	106,898,748	54,900,741	51,998,007	19,903,233	2.61	797,647	2.51	1.20
2019	106,897,205	61,007,289	45,889,916	20,017,864	2.29	797,647	2.20	1.20
2020	108,622,905	56,316,162	52,306,743	20,852,850	2.51	845,026	2.41	1.20
2021	109,410,114	59,878,985	49,531,129	18,876,626	2.62	914,275	2.50	1.20
2022	116,927,606	60,389,904	56,537,702	20,172,889	2.80	2,302,584	2.52	1.20
2023	124,101,546	78,352,915	45,748,631	20,113,943	2.27	2,594,558	2.01	1.20



Notes:

¹ Gross Revenues - Refer to "Operating Revenues by Source" (Schedule 3), includes impact fees and beginning in FY 2008, Stormwater Fund Revenues and Expenses were deducted from amounts.

² Operating Expenses - Refer to "Operating Expenses by Function" (Schedule 4), beginning in FY 2008, Stormwater Fund Revenues and Expenses were deducted from amounts and beginning in FY 2008, Transfer from Stormwater Fund for Administrative costs was deducted.

³ Net Revenues Available for Debt Service: Represents operating income before depreciation and after making certain adjustments.

⁴ Includes Intergovernmental Non-Operating Revenue (Schedule 5).



SCHEDULE 22: DEMOGRAPHIC AND ECONOMIC STATISTICS

Clayton County Water Authority DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Calendar Years

							Average Unemployment Rate			Total Housing Units
Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Total Full-Time and Part-Time Employment	Average Annual Pay	Labor Force	Clayton County	State of Georgia	United States	
2013	264,511	6,530,963	24,691	117,301	46,620	129,950	9.70%	8.40%	7.50%	104,343
2014	267,405	6,810,947	25,471	125,119	48,430	125,119	9.30%	7.20%	6.20%	104,535
2015	273,675	7,186,778	26,260	115,708	48,990	125,051	7.50%	5.90%	5.30%	104,719
2016	280,006	7,461,902	26,649	121,278	53,637	129,852	6.60%	5.40%	4.90%	104,996
2017	285,153	7,781,551	27,289	126,727	53,956	134,595	5.80%	4.70%	4.40%	105,606
2018	289,615	8,115,041	28,020	129,814	57,839	136,502	4.90%	3.90%	3.90%	105,859
2019	292,256	8,377,425	28,665	131,980	59,533	137,796	4.20%	3.40%	3.70%	106,360
2020	297,595	9,570,169	32,702	129,109	62,941	141,244	8.60%	5.10%	6.70%	114,038
2021	297,100	6,991,357	23,532	131,120	62,649	196,680	5.10%	3.30%	3.80%	115,055
2022	296,564	10,712,179	23,532	160,852	57,564	196,325	3.50%	2.60%	3.30%	115,862

Sources:

U.S. Department of Commerce, Bureau of Economic Analysis

U.S. Department of Labor, Bureau of Labor Statistics

U.S. Census Bureau (<http://quickfacts.census.gov/qfd/states/13/13063.html>)

U.S. Census Bureau QuickFacts: United States

<https://fred.stlouisfed.org/>



SCHEDULE 23: TEN LARGEST EMPLOYERS

Clayton County Water Authority

TEN LARGEST EMPLOYERS

Most Recent Year Available and Ten Years Prior

2022

Employer	Rank	Employees
Clayton County Public Schools	1	6,775
Clayton County Board of Commissioners	2	2,604
Gate Gourmet	3	1,200
Southern Regional Medical Center	4	1,200
Chime Solutions	5	950
Fresh Express	6	900
Fedex Ground	7	800
Clayton State University	8	710
Atlas Logistics	9	700
R+L Carriers Inc.	10	635
Subtotal (10 Largest Employers)		16,474

2013

Employer	Rank	Employees
Clayton County Board of Education	1	7,100
Delta Airlines/Tech Ops	2	6,000
Southern Regional Medical Center	3	2,100
Fresh Express, Inc.	4	1,100
Southern Company/Georgia Power	5	766
Clayton State University	6	750
FedEx Ground	7	750
Saia Motor Freight Line	8	500
R+L Carriers	9	430
Toto, USA, Inc	10	425
Subtotal (10 Largest Employers)		19,921

Source:

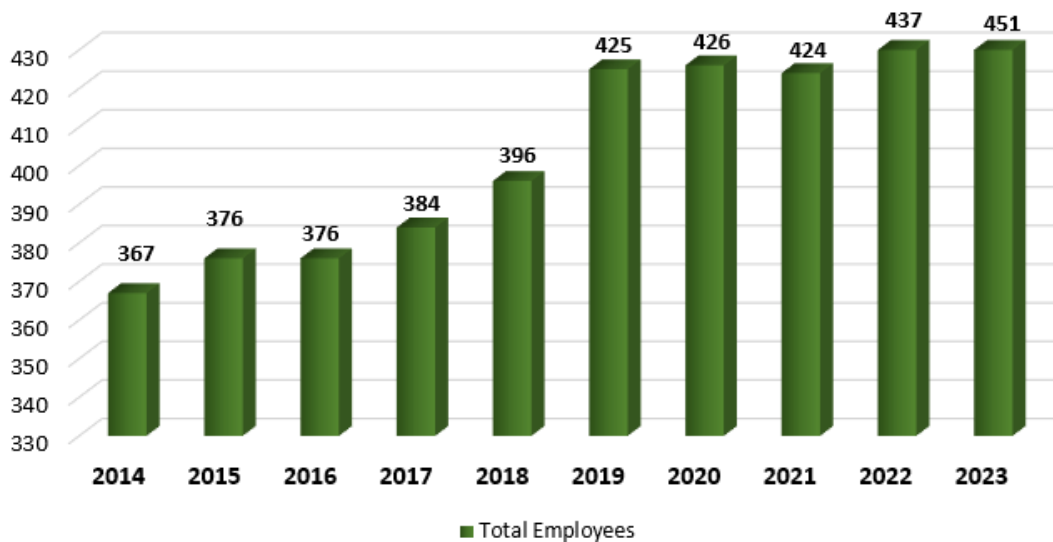
<http://www.claytoncountyga.gov/departments/finance/annual-budget.aspx>
<https://www.investclayton.com/major-employers.php>



SCHEDULE 24: NUMBER OF EMPLOYEES BY JOB CLASS

Clayton County Water Authority NUMBER OF EMPLOYEES BY JOB CLASS Last Ten Fiscal Years

General Classification	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Managers	8	9	9	9	14	14	3	3	3	3
Office	106	110	112	117	98	124	133	133	138	141
Meter Readers	12	12	13	13	14	14	13	13	13	12
Warehouse	6	6	6	6	5	6	6	6	6	6
Garage (Vehicle Maintenance)	4	3	4	4	5	4	4	4	4	5
Building and Grounds Maintenance	29	27	16	30	22	19	19	19	22	22
Water Line Maintenance and Construction	62	67	68	64	77	70	70	69	71	75
Wastewater Operator	39	39	40	40	43	43	43	41	44	47
Water Plant Operator	24	24	24	23	23	25	27	27	26	29
Forestry	0	0	0	0	0	14	14	13	12	13
Laboratory	6	6	5	5	9	6	6	6	6	6
Plant and Equipment Maintenance	13	13	13	13	15	14	14	15	17	17
Sewer Line Maintenance	30	32	32	29	38	34	34	35	34	34
Inspectors	9	9	14	13	11	18	18	18	19	19
Draftsman and Surveyors	8	8	9	7	11	8	8	8	8	8
Field Service	11	11	11	11	12	12	14	14	14	14
Total Employees	367	376	376	384	396	425	426	424	437	451



Source: Human Resources Department files

Notes:

¹ Employee count is by position only and does not represent Full-Time Equivalent Employees (FTEs)

² Due to the compensation study completed in 2019, some positions have been reclassified, e.g.: Forestry classification.



SCHEDULE 25: OPERATING AND CAPITAL INDICATORS

Clayton County Water Authority OPERATING AND CAPITAL INDICATORS Last Ten Fiscal Years

Water Production	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Size of Watershed (<i>Square Miles drained</i>)	184.0	184.0	184.0	184.0	184.0	184.0	184.0	184.0	184.0	184.0
Water Storage Capacity (<i>Million Gallons</i>)	32.2	32.1	32.1	32.1	32.1	32.1	32.1	27.6	27.6	27.6
Miles of Distribution Lines	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,379	1,379
Number of Pumping Stations	4	4	4	4	4	4	4	4	4	4
Number of Production Plants	3	3	3	3	3	3	3	3	3	3
Daily Treatment Capacity (<i>MGD-Million Gallons Per Day</i>)	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0
Annual Treatment Capacity (<i>Million Gallons</i>)	15,330	15,330	15,372	15,330	15,330	15,330	15,330	15,330	15,330	15,330
Amount Treated Annually (<i>Million Gallons</i>)	8,643	9,001	9,433	9,436	9,031	9,217	9,443	9,308	9,534	10,249
Unused Capacity (<i>Million Gallons</i>)	6,687	6,329	5,939	5,894	6,299	6,113	5,887	6,022	5,796	5,081
Percentage of Unused Capacity	43.6%	41.3%	38.6%	38.4%	41.1%	39.9%	38.4%	39.3%	37.8%	33.1%

Water Reclamation	2014	2015	2016	2017	2018	2019	2020	2021	2021	2023
Miles of Sewer Lines	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,137	1,137
Number of Treatment Plants	3	3	3	3	3	3	3	3	3	3
Number of Lift Stations	39	38	38	40	40	41	41	44	44	44
Daily Treatment Capacity (<i>MGD-Million Gallons Per Day</i>)	38.4	38.4	38.4	38.4	38.4	38.4	38.4	38.4	38.4	38
Annual Treatment Capacity (<i>Million Gallons</i>)	14,016	14,016	14,016	14,054	14,016	14,016	14,016	14,016	14,016	14,016
Amount Treated Annually (<i>Million Gallons</i>)	7,728	7,329	8,704	7,101	7,451	8,556	8,431	7,761	7,426	8,491
Unused Capacity (<i>Million Gallons</i>)	6,288	6,687	5,312	6,954	6,565	5,460	5,585	6,255	6,590	5,525
Percentage of Unused Capacity	44.9%	47.7%	37.9%	49.5%	46.8%	39.0%	39.8%	44.6%	47.0%	39.4%

Source: CCWA Operational Data

Notes:

¹ MGD = Millions of Gallons per Day

² Additional information can be found in Schedules (8), (9) and (10)

³ Unused Capacity of CCWA plants; Interconnects not included



SCHEDULE 26: ANALYSIS OF COST OF WATER SOLD

Clayton County Water Authority ANALYSIS OF COST OF WATER SOLD For The Fiscal Years Ended April 30, 2023 and 2022

Cost To Produce Water	Fiscal Year Ended April 30, 2023	Fiscal Year Ended April 30, 2022
Direct Costs <i>(Schedule 4)</i>	\$ 16,104,505	\$ 14,449,897
Plus:		
Direct Depreciation <i>(Schedule 28)</i>	6,606,114	6,537,476
Less:		
Tapping Fees Charged	(533,403)	(657,447)
Net Direct Costs	\$ 22,177,216	\$ 20,329,926
Indirect and Administrative Costs <i>(Schedule 28)</i>	21,659,874	13,846,064
Net Interest Expense <i>(Schedule 28)</i>	378,915	517,480
Indirect Depreciation Expense <i>(Schedule 28)</i>	1,354,366	1,202,390
Total Cost of Water Produced	\$ 45,570,371	\$ 35,895,860
Total Gallons Billed <i>(Thousands)</i>	8,625,430	8,270,073
Cost Per Thousand Gallons	\$ 5.28	\$ 4.34

Source: CCWA Financial System and Operational Data



SCHEDULE 27: ANALYSIS OF COST OF WASTEWATER TREATED

Clayton County Water Authority ANALYSIS OF COST OF WASTEWATER SOLD For The Fiscal Years Ended April 30, 2023 and 2022

Cost To Treat Wastewater	Fiscal Year Ended April 30, 2023	Fiscal Year Ended April 30, 2022
Direct Costs <i>(Schedule 4)</i>	\$ 20,746,052	\$ 19,117,317
Plus:		
Direct Depreciation <i>(Schedule 28)</i>	11,060,026	10,464,230
Less:		
Tapping Fees Charged	(21,959)	(22,165)
Sale of Pellets	(41,391)	(27,220)
Net Direct Costs	\$ 31,742,728	\$ 29,532,162
Indirect and Administrative Costs <i>(Schedule 28)</i>	\$ 18,731,434	\$ 11,781,928
Net Interest Expense <i>(Schedule 28)</i>	719,936	949,393
Indirect Depreciation Expense <i>(Schedule 28)</i>	2,573,284	2,205,962
Total Cost of Sewer Treated	\$ 53,767,382	\$ 44,469,445
Total Gallons Billed <i>(Thousands)</i>	7,030,173	6,885,203
Cost Per Thousand Gallons	\$ 7.65	\$ 6.46

Source: CCWA Financial System and Operational Data



SCHEDULE 28: ALLOCATION OF CERTAIN EXPENSES

Clayton County Water Authority ALLOCATION OF CERTAIN EXPENSES For The Fiscal Year Ended April 30, 2023

ALLOCATION OF INDIRECT AND ADMINISTRATIVE COSTS

Indirect Expenses	\$13,937,835
Administration Expenses	27,564,523
Less:	
Stormwater Transfers for Overhead Costs	(1,111,050)
Net Indirect and Administrative Costs	<u>\$40,391,308</u>

Allocated on Basis of Revenues	Amount	Percent	
Sale of Water	\$ 61,730,563	53.63%	\$21,659,874
Sewer Service Charges	53,384,520	46.37%	18,731,434
Total Allocated Indirect and Administrative Costs	<u>\$115,115,083</u>	<u>100.00%</u>	<u>\$40,391,308</u>

ALLOCATION OF NET INTEREST EXPENSE

Total Interest Expense	\$ 1,676,164
Less:	
Interest Earned on Investments	577,313
Net Interest Expense	<u>\$ 1,098,851</u>

Allocated on Basis of Net Capital Assets			
Water Distribution System	\$169,287,509	34.48%	\$ 378,915
Sewer Distribution System	321,644,942	65.52%	719,936
Total Allocated Net Interest Expense	<u>\$490,932,451</u>	<u>100.00%</u>	<u>\$ 1,098,851</u>

ALLOCATION OF INDIRECT DEPRECIATION EXPENSE

Total Depreciation Expense	\$21,593,790
Less:	
Direct Depreciation Expense - Water	(6,606,114)
Direct Depreciation Expense - Sewer	(11,060,026)
Total Indirect Depreciation Expense	<u>\$ 3,927,650</u>

Allocated on Basis of Net Capital Assets			
Sewer Distribution System	321,644,942	65.52%	2,573,284
Total Allocated Indirect Depreciation	<u>\$490,932,451</u>	<u>100.00%</u>	<u>\$ 3,927,650</u>

Source: CCWA Financial System



VI. COMPLIANCE SECTION

COMPLIANCE SECTION INDEX

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS





COMPLIANCE SECTION INDEX

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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*



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Clayton County Water Authority
Clayton County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, each major fund and the remaining fund information of the Clayton County Water Authority (the "Authority") as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 14, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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*.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 14, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Clayton County Water Authority
Clayton County, Georgia

Report on Compliance For Each Major Federal Program

We have audited the Clayton County Water Authority's (the "Authority") compliance with the types of compliance identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended April 30, 2023. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Clayton County Water Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.



Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 14, 2023



SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the fiscal year ended April 30, 2023, the Clayton County Water Authority received loan disbursements of \$12,498,740 from the Georgia Environmental Finance Authority as a pass-through entity of capitalization grants for the Clean Water State Revolving Fund program. CWSRF 202014 loan disbursements of \$7,183,881 from Federal funds were received during the fiscal year. The outstanding principal balance on the loan on April 30, 2023 was \$13,985,462. Federal fund disbursements received during the fiscal year for loan CWSRF 2021021 totaled \$2,758,432 and on April 30, 2023, the total outstanding principal balance on the loan was \$4,079,698. Disbursements received from Federal funds during the year from loan CWSRF 2021024 totaled \$2,556,427 and the loan had an outstanding principal balance of \$2,626,829 on April 30, 2023.

Federal Grantor/Pass-through Grantor/Program Title	AL	Grantor Program Number	State/Local Pass-Through Entity	Federal Expenditures	Subrecipient Expenditures
U.S. Environmental Protection Agency	66.458	GEFA-CWSRF- 2021024	Georgia Enviromental Finance Authority	\$ 2,556,427	
U.S. Environmental Protection Agency	66.458	GEFA-CWSRF- 2021021	Georgia Enviromental Finance Authority	2,758,432	
U.S. Environmental Protection Agency	66.458	GEFA-CWSRF- 2020014	Georgia Enviromental Finance Authority	7,183,881	
				\$ 12,498,740	\$ -

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation and Accounting

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of Clayton County Water Authority, Georgia (the "Authority"). The Authority reporting entity is defined in [Note I: Summary of Significant Accounting Policies](#) to the Authority's financial statements. Federal financial assistance received directly from federal agencies and federal assistance passed through other government agencies are included on the schedule.

The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting for proprietary fund types as more fully described in [Note I: Summary of Significant Accounting Policies](#) to the Authority's financial statements.

The Authority has elected not to utilize the ten percent federal de minimus indirect cost rate for the year ended April 30, 2023.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The Authority did not receive non-cash federal awards during the year ended April 30, 2023.



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CLAYTON COUNTY WATER AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED APRIL 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over financial reporting:

Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Type of auditor's report issued on compliance for
major programs

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with the Uniform Guidance?

___ Yes X No

Identification of major program:

Assistance Listing Number

66.458

Name of Federal Program or Cluster

Capital Grants for Clean Water State Revolving Loan Funds

Dollar threshold used to distinguish between
Type A and Type B programs

\$750,000

Auditee qualified as a low risk auditee?

X Yes ___ No



CLAYTON COUNTY WATER AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED APRIL 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

None reported.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.