Citizens’ Financial Report

For the fiscal year ended June 30, 2018

Covington, Georgia
To the Citizens of Covington

We are pleased to present you the City of Covington’s Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2018. The purpose of this PAFR is to summarize and communicate the activity of the City of Covington in a user-friendly format. It is important to let you know who is helping make decisions, what is being done, when activities are happening and our methodology. This report will explain the highlights of the City of Covington so the general public will understand the financial condition of the government as well as the benefits of calling the City of Covington home. Financial information within this report is derived in large part from the City of Covington 2018 Comprehensive Annual Financial Report (CAFR), which is a detailed account of the government’s finances prepared in accordance with generally accepted accounting principles. The CAFR was audited by Mauldin & Jenkins, CPAs. The financial data presented in the PAFR uses the same measurement focus and basis of accounting as the CAFR. The financial information presented here is in summarized and condensed form and does not substitute for the CAFR. The CAFR is available on the City’s website or by request from City Hall.

We welcome any feedback, comments or ideas you may have for continued improvement. It has been a pleasure for us, as the City of Covington, to serve each of you.

Sincerely,
Leigh Ann Knight, City Manager
Randy Smith, Finance Director

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the City of Covington for its PAFR for the fiscal year ended June 30, 2017. The award is a prestigious national honor, recognizing conformance with the highest standards for preparation of state and local government popular annual financial reports.

In order to receive this award, the published report must reflect the program standards of creativity, presentation, understandability and reader appeal.

NET POSITION

Net Position is the difference between assets plus deferred outflows or resources and liabilities plus deferred inflows of resources. Net position may be classified in any of the following ways based on set criteria:

Net Investment in Capital Assets – The difference between the amount paid for capital assets, such as buildings, and any debt used to acquire those assets, such as loans or mortgages.

Restricted – Funds that are not available for use by the City because they must be used for a specific purpose or project as required by law or regulation.

Unrestricted – The remaining balance available for use that is not invested in capital assets or restricted. Unrestricted net position may be used to meet the government’s ongoing obligations to citizens and creditors.

You will see Net Position reported when the economic resources measurement focus is utilized.

FUND BALANCE

Fund Balance reflects the excess (or deficiency) of revenues and other financing sources over expenditures and other financing uses. Fund Balance can be further classified as follows:

Nonspendable: Portion of net resources that cannot be spent because of their form (e.g., inventory, prepaid items)

Restricted: Portion of net resources with limitations imposed by external parties

Committed: Portion of net resources that have self-imposed limitations set in place

Assigned: Portion of net resources that are limited resulting from intended use

Unassigned: Residual net resources

You will see Fund Balance reported when the current financial resources measurement focus is utilized.

MEASUREMENT FOCUS & BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The City of Covington has chosen to present information it feels is of value to the residents and citizens of the City. Some funds have been left out of this condensed report. Please refer to the Comprehensive Annual Financial Report for financial information for all funds and component units.
In the heart of Covington, the amenity-rich park could feature everything from a skate park and botanical gardens to a championship disc golf course. "Most of the amenities are proposed at this stage," said City Manager Leigh Anne Knight. "Council members are out polling the community to gauge what they would like to see in the park. A park of this size takes time to build," Knight said. "You can rest assured we will build it well to serve our citizens and visitors for generations to come."

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Covington Releases Plans for Central Park

Featuring an abundance of greenspace and amenities, the City of Covington recently released proposed plans for Covington Central Park, a 160 tract in the heart of the city. The only of its kind in Covington, the amenity-rich park could feature everything from a skate park and botanical gardens to a championship disc golf course. "Most of the amenities are proposed at this stage," said City Manager Leigh Anne Knight. "Council members are out polling the community to gauge what they would like to see in the park. A park of this size takes time to build," Knight said. "You can rest assured we will build it well to serve our citizens and visitors for generations to come."

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As you can see in the chart to the right, the City is committed to providing a quality of life that ensures the success and vitality of the community. The City’s governmental capital outlay for the fiscal year 2018 totaled $3.9 million. The large increase over last year relates to the purchase of the new police building.

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Highlights of the Year

The City of Covington and their Covington Cares program teamed with Middle Ridge Elementary School to provide tutoring assistance to students who need additional help in sight word recognition. Twenty-six employees participated in the six-month program and tutored approximately 80 students. Approximately 98 percent of the students advanced at least one reading level. Each City of Covington employee volunteered at the school one day a week for 45 minutes and helped approximately six children during their time. As part of their Christmas initiative, employees collected more than 750 books and personalized each one with a student’s name before presenting them to each child. Employees also spearheaded a back-to-school supply drive that included everything from paper and scissors to backpacks.

Enterprise Funds

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The City of Covington has several enterprise funds that account for several services the city provides: Water & Sewer, Gas, Electric, Airport, Stormwater and Sanitation. Where governmental funds are reported under a modified accrual basis of accounting, enterprise funds are reported using a full accrual basis of accounting and are most similar to private sector companies. More information about the basis of accounting can be found on page 11.

Enterprise Funds Statement of Net Position as of June 30, 2018

<table>
<thead>
<tr>
<th>Current Assets</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, investments, receivables &amp; other current items</td>
<td>$ 72,592,251</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories, prepaid expenditures &amp; advances</td>
<td>3,948,836</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash</td>
<td>2,991,847</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td>51,424,710</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>176,357,666</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred outflows of resources (pension)</td>
<td>4,084,561</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable, accrued liabilities &amp; unearned revenue</td>
<td>8,985,852</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of long-term debt payable</td>
<td>441,548</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payable from restricted assets</td>
<td>1,715,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>15,528,047</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total liabilities</td>
<td>26,670,447</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>80,017,150</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted for debt service</td>
<td>2,715,191</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>65,019,319</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total net position</td>
<td>$ 147,771,760</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Statement of Revenues, Expenses & Changes in Net Position

Enterprise Funds

For the fiscal year ended June 30, 2018

<table>
<thead>
<tr>
<th>Operating Revenues</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Charges for services</td>
<td>$ 75,772,041</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other services</td>
<td>1,241,152</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>77,013,193</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel services</td>
<td>8,719,824</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water purchases</td>
<td>3,309,703</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased power</td>
<td>28,437,749</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural gas purchases</td>
<td>7,904,498</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other costs of operations</td>
<td>7,542,780</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>3,709,829</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>58,624,306</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total non-operating revenue (expenses)</td>
<td>584,589</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Contributions</td>
<td>1,865,313</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers</td>
<td>(9,946,216)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net position</td>
<td>10,892,926</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net position, beginning of year</td>
<td>136,878,354</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net position, end of year</td>
<td>$ 147,771,760</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The CAFR presents the government-wide statements first followed by statements for each of the funds. These statements present the same information under different criteria in order to show the overall economic position of the City as well as the City’s ability to meet current obligations. The differences are related to basis of accounting and measurement focus.
General Fund

The General Fund is this general operating fund of the City and supports the regular day-to-day operations including public safety, public works, culture and recreation and community development. The statement of Revenues, Expenditures and Changes in Fund Balances shows where the money comes from and goes. The Balance Sheet shows what the City owns and owes.

Statement of Revenues, Expenditures & Changes in Fund Balance

For the fiscal year ended June 30, 2018

Net Revenues, operations

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Amount</th>
<th>% of Total Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bach, Hispanic</td>
<td>6,176,482</td>
<td>17.16%</td>
</tr>
<tr>
<td>Fees</td>
<td>3,121,118</td>
<td>8.84%</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>70,138</td>
<td>0.20%</td>
</tr>
<tr>
<td>Interest Revenues</td>
<td>56,008</td>
<td>0.16%</td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>278,617</td>
<td>0.82%</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>2,175,482</td>
<td>6.06%</td>
</tr>
<tr>
<td>Service</td>
<td>12,698,472</td>
<td>36.15%</td>
</tr>
<tr>
<td>total</td>
<td>21,938,172</td>
<td>62.80%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>640,342</td>
<td>1.79%</td>
</tr>
<tr>
<td>Total Revenues</td>
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While property taxes are the largest source of revenue for the General Fund accounting for 40% of revenues, transfers into the General Fund from the utility funds support 40% of General Fund Expenditures.

Economic

Median Household Income $32,793

Unemployment Rate 4.1%

As of 2018, Newton County, Ga. has the lowest unemployment rate of any county in the state. In fact, from a high of 12 percent in 2012 the unemployment rate has fallen approximately 2 points every year since.

Top Ten Employers

<table>
<thead>
<tr>
<th>Employer</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Education</td>
<td>2,583</td>
</tr>
<tr>
<td>Piedmont Hospital</td>
<td>678</td>
</tr>
<tr>
<td>Newton County Gov’t</td>
<td>548</td>
</tr>
<tr>
<td>Becton Dickinson</td>
<td>464</td>
</tr>
<tr>
<td>General Mills</td>
<td>371</td>
</tr>
<tr>
<td>Pactiv</td>
<td>363</td>
</tr>
<tr>
<td>City of Covington</td>
<td>341</td>
</tr>
<tr>
<td>Walmart</td>
<td>314</td>
</tr>
<tr>
<td>Nishinho</td>
<td>261</td>
</tr>
<tr>
<td>Fibervisions</td>
<td>225</td>
</tr>
</tbody>
</table>

Operations

Police calls for service 35,407

Tons of residential waste 5,934

Total crimes 2,699

Purchase orders processed 3,705

Traffic citations issued 4,685

AP checks processed 5,363

Fire calls answered 3,111

Building permits issued 292

Court cases closed 5,153

Business licenses issued 2,280

Electricity sold in kilowatt hours 424,747

Gas sold in thousand cubic feet 2,205,817

Number of electric customers 11,915

Number of gas customers 8,526
What is a fund?
A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. The City of Covington, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Fund – Accounts for the City’s primary operating fund that pays for government operations

Special Revenue Funds – Accounts for specific revenues that are legally restricted to expenditures for particular purposes

Capital Projects Funds – Accounts for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds

Enterprise Funds – Accounts for any activity for which a fee is charged to external users for goods or services

Pension Trust Fund – Accounts for the activities of the City’s Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified City employees

City-Wide Financial Information

What is the Statement of Net Position?
The Condensed Statement of Net Position, similar to a “Balance Sheet,” is a summary representing everything the City owns (assets) and owes (liabilities), with the difference being Net Position. The statement is divided between governmental and business-type activities. At the end of the fiscal year, Covington was able to report positive balances in all three categories of net position for both governmental and business-type activities.

Governmental Activities – Activities primarily supported by tax dollars for services such as law enforcement, fire services and streets.

Business-Type Activities – Activities that offer goods and services of the City for sale and are intended to be self-supporting, such as utilities.

What is the Statement of Activities?
The Statement of Activities presents the revenues, expenses and changes in net position of the City for governmental and business-type activities. The City’s total net position increased by $9.3 million during the current fiscal year.

Net Position can be classified several ways. See page 11 for the criteria that determine the classifications you see above.
The City of Covington’s total adopted budget for fiscal year 2018, which is the financial plan for funding all operations, totaled $127.3 million. This includes elected and appointed officials, administrative services and utilities. The budget includes personal services, non-personal services, operating and capital funding required to maintain the adopted level of service. The fiscal year 2018 total adopted budget decreased by approximately 4% from the previous year. The budget process begins in the spring as department heads prepare their budget requests. The requests are vetted by the Finance Director and City Manager and then presented to the Council. After the budget is adopted by the Council, usually in June, budget amendments can be made by formal action of the Council in a public meeting. Budget to Actual data is presented for the General Fund and Special Revenue funds each year in the Comprehensive Annual Financial Report.

What is a fund?
A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. The City of Covington, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Fund – Accounts for the City’s primary operating fund that pays for government operations

Special Revenue Funds – Accounts for specific revenues that are legally restricted to expenditures for particular purposes

Capital Projects Funds – Accounts for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds

Enterprise Funds – Accounts for any activity for which a fee is charged to external users for goods or services

Pension Trust Fund – Accounts for the activities of the City’s Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified City employees
General Fund

The General Fund is the general operating fund of the City and supports the regular day-to-day operations including public safety, public works, culture and recreation and community development. The statement of Revenues, Expenditures and Changes in Fund Balances shows where the money comes from and goes. The Balance Sheet shows what the City owns and owes.

### Statement of Revenues, Expenditures & Changes in Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Government</td>
<td>3,753,923</td>
<td>17.14%</td>
</tr>
<tr>
<td>Judicial</td>
<td>699,755</td>
<td>3.21%</td>
</tr>
<tr>
<td>Public Safety</td>
<td>12,662,409</td>
<td>58.17%</td>
</tr>
<tr>
<td>Public Works</td>
<td>3,077,822</td>
<td>14.14%</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>362,800</td>
<td>1.66%</td>
</tr>
<tr>
<td>Housing &amp; Development</td>
<td>1,016,100</td>
<td>4.67%</td>
</tr>
<tr>
<td>Debt Service</td>
<td>219,682</td>
<td>1.01%</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>21,769,501</td>
<td></td>
</tr>
<tr>
<td>Transfers and other financing sources</td>
<td>8,200,540</td>
<td></td>
</tr>
<tr>
<td>Net Change in Fund Balances</td>
<td>(888,038)</td>
<td></td>
</tr>
</tbody>
</table>

While property taxes are the largest source of revenue for the General Fund accounting for 40% of revenues, transfers into the General Fund from the utility funds support 40% of General Fund Expenditures.

### Economic

**Median Household Income**: $32,793

**Unemployment Rate**: 4.1%

As of 2018, Newnton County, Ga. has the lowest unemployment rate of any county in the state. In fact, from a high of 12 percent in 2012 the unemployment rate has fallen approximately 2 points every year since.

### Operations

**Police calls for service**: 35,407

**Tons of residential waste**: 5,934

**Total crimes**: 2,699

**Purchase orders processed**: 3,705

**Traffic citations issued**: 4,685

**AP checks processed**: 5,363

**Fire calls answered**: 3,111

**Building permits issued**: 292

**Court cases closed**: 5,153

**Business licenses issued**: 2,280

**Electricity sold in kilowatt hours**: 424,747

**Gas sold in thousand cubic feet**: 2,205,817

**Number of electric customers**: 11,915

**Number of gas customers**: 8,526
The City of Covington joined forces with Newton County, the Newton County School System, GA Tech and the Chamber of Commerce to offer residents the opportunity to participate in the LEAP program, an online certification program for those interested in increasing their knowledge in logistics. This augmented knowledge can help graduates secure a job in the logistics field or help those who currently hold a logistics-related job advance their career.

Enterprise Funds

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The City of Covington has several enterprise funds that account for several services the City provides: Water & Sewer, Gas, Electric, Airport, Stormwater and Sanitation. Where governmental funds are reported under a modified accrual basis of accounting, enterprise funds are reported using a full accrual basis of accounting and are most similar to private sector companies. More information about the basis of accounting can be found on page 11.

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>as of June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, investments, receivables &amp; other current items</td>
<td>$72,892,253</td>
</tr>
<tr>
<td>Inventories, prepaid expenditures &amp; advances</td>
<td>3,348,836</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>2,991,847</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td>51,424,710</td>
</tr>
<tr>
<td>Total Assets</td>
<td>176,637,464</td>
</tr>
</tbody>
</table>

Deferred outflows of resources (pension) | 4,584,561 |

| Current Liabilities | Accruals and liabilities & unearned revenue | $8,985,852 |
|---------------------|-------------------------------------------|
| Current portion of long-term debt payable | 441,586 |
| Payable from restricted assets | 1,715,000 |
| Noncurrent Liabilities | 15,528,047 |
| Total Liabilities | 26,670,447 |
| Net Investment in capital assets | 80,017,250 |
| Restricted for debt service | 2,715,191 |
| Unrestricted | 65,019,319 |
| Total Net Position | $147,771,760 |

Statement of Revenues, Expenses & Changes in Net Position
Enterprise Funds
For the fiscal year ended June 30, 2018

- Operating Revenues
  - Charges for services: $75,772,041
  - Other services: 1,241,582
  - Total Revenues: 77,013,623

- Operating Expenses
  - Personnel services: 8,719,824
  - Water purchases: 3,309,703
  - Purchased power: 28,437,749
  - Natural gas purchases: 7,904,498
  - Other costs of operations: 7,542,780
  - Depreciation & amortization: 3,509,829
  - Total operating expenses: 58,624,189

- Net operating revenue (expenses): 58,498

- Capital Contributions: 1,655,313
- Transfers: (9,946,216)
- Change in net position: $10,892,926

Net position, beginning of year: 136,878,834

Net position, end of year: $147,771,760

The CAFR presents the government-wide statements first followed by statements for each of the funds. These statements present the same information under different criteria in order to show the overall economic position of the City as well as the City’s ability to meet current obligations. The differences are related to basis of accounting and measurement focus.
Covington Releases Plans for Central Park

Featuring an abundance of greenspace and amenities, the City of Covington recently released proposed plans for Covington Central Park, a 160 tract in the heart of the city. The only of its kind in Covington, the amenity-rich park could feature everything from a skate park and botanical gardens to a championship disc golf course. "Most of the amenities are proposed at this stage," said City Manager Leigh Anne Knight. "Council members are out polling the community to gauge what they would like to see in the park. A park of this size takes time to build," Knight said. "You can rest assured we will build it well to serve our citizens and visitors for generations to come."

Covington Purchases new Building for Police Headquarters

The Covington Police Department will be calling a new location its home next year after the Council approved the purchase of a 25,850-square-foot building on a 4.96-acre piece of land for the new police department headquarters.

As you can see in the chart to the right, the City is committed to providing a quality of life that ensures the success and vitality of the community. The City's governmental capital outlay for the fiscal year 2018 totaled $3.9 million. The large increase over last year relates to the purchase of the new police building.

Contact Us

CITY HALL
Public Information Officer
770-385-2000
2194 Emory Street NW
City Clerk
Administrative Services
Human Resources
Utilities

FIRE DEPARTMENT
770-385-2100
2101 Pace Street

POLICE DEPARTMENT
770-385-2122
1143 Oak Street SE

SANITATION
770-385-2046
5144 Turner Street NE

AIRPORT
770-787-0098
14100 GA-142

E911
678-342-8790
11234 Alcovy Road

PLANNING & ZONING
770-385-2020
2116 Stallings Street NW

In case of emergency, please dial 911.
Net Position is the difference between assets plus deferred outflows or resources and liabilities plus deferred inflows of resources. Net position may be classified in any of the following ways based on set criteria:

Net Investment in Capital Assets – The difference between the amount paid for capital assets, such as buildings, and any debt used to acquire those assets, such as loans or mortgages.

Restricted – Funds that are not available for use by the City because they must be used for a specific purpose or project as required by law or regulation.

Unrestricted – The remaining balance available for use that is not invested in capital assets or restricted. Unrestricted net position may be used to meet the government’s ongoing obligations to citizens and creditors.

You will see Net Position reported when the economic resources measurement focus is utilized.

Fund Balance reflects the excess (or deficiency) of revenues and other financing sources over expenditures and other financing uses. Fund Balance can be further classified as follows:

Nonspendable: Portion of net resources that cannot be spent because of their form (e.g., inventory, prepaid items)

Restricted: Portion of net resources with limitations imposed by external parties

Committed: Portion of net resources that have self-imposed limitations set in place

Assigned: Portion of net resources that are limited resulting from intended use

Unassigned: Residual net resources

You will see Fund Balance reported when the current financial resources measurement focus is utilized.

**MEASUREMENT FOCUS & BASIS OF ACCOUNTING (CON’T)***

Governmental fund financial statements, such as the General Fund, are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This means revenues are recognized as soon as they are both measureable and collectible within the current period or soon thereafter to pay liabilities of the current period (collected within 60 days of the end of the fiscal period).

When the governmental funds are presented as part of the government-wide statements, they are converted to the accrual basis of accounting. This results in some differences which are reconciled and presented in the CAFR.

The City of Covington has chosen to present information it feels is of value to the residents and citizens of the City. Some funds have been left out of this condensed report. Please refer to the Comprehensive Annual Financial Report for financial information for all funds and component units.
June 30, 2018

For the Fiscal Year Ended

Citizens’ Financial Report

About Covington
Lively, Active and Energetic: This is Covington.

A picturesque town located less than an hour east of Atlanta, Covington is known for its southern hospitality, antebellum homes and rich film history. Covington is rightfully known as the ‘Hollywood of the South.’

With diverse roots dating back to the early 1800s, Covington has rapidly become a premier destination to Live, Work and Create. Visit locally owned shops on our vibrant Town Square, enjoy the lively arts scene or dine at some of the finest restaurants in the Metro-Atlanta area.

Covington offers something for everyone.

Your Elected Officials

Mayor of Covington
Ronnie Johnston
770-262-1001
RJohnston@cityofcovingtong.org

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KMorgan@cityofcovingtong.org

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Post 3 West
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AHenderson@cityofcovingtong.org

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2194 EMORY STREET NORTHWEST
770-385-2000

WWW.CITYOFCOVINGTON.ORG
www.facebook.com/cityofcotypingna

VISION
Preserving the value of small town life while preparing an innovative community with access to the world.

MISSION
Covington is a city of excellence providing innovative services that enhance the quality of life for our residential, business and industrial customers while striving to create a safe and family-friendly community our residents are proud to call home.