

JACKSON COUNTY WATER & SEWERAGE AUTHORITY

A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the year ended December 31, 2022 and 2021
(with comparative Financial Statements)**



**Prepared by:
Judy W. Smith, Finance Director
and
JCWSA Finance Department**

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY

JEFFERSON, GEORGIA

A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITOR'S REPORT)

Years Ended

December 31, 2022 and 2021

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
JEFFERSON, GEORGIA
A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

Table of Contents

	Page
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i-iv
Certificate of Achievement for Excellence in Financial Reporting	v
Listing of Principal Officials and Consultants	vi
Organizational Chart	vii
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	viii - xi
Management's Discussion and Analysis	xii-xxii
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	1 - 2
Statement of Revenues, Expenses, and Changes in Fund Net Position	3
Statement of Cash Flows	4 - 5
Notes to Financial Statements	6 - 35
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the Net Pension Liability - JCWSA Retirement Plan	36
Schedule of Contributions - JCWSA Retirement Plan	37
Schedule of Notes to Required Supplementary Information - JCWSA Retirement Plan	38
<u>STATISTICAL SECTION</u>	
	TABLE
Financial Trends	
Net Position by Component	1 39
Changes in Net Position	2 40
Statement of Net Position	2A 41
Revenue Capacity	
Operating Revenues by Source	3 42
Operating Expenses by Function	4 43
Non-operating Revenues and Expenses	5 44
Annual Capital Contributions by Source	6 45
Usage and Billing Schedule	7 46
Annual Tap Sales	8 47
Number of Water Customers by Type	9 48
Number of Sewer Customers by Type	9A 49
Water & Sewer Rates	10 50 - 59
Water & Sewer Connection Fee Schedule	11 60
Miscellaneous Charges	12 61
Principal Water Customers	13 62
Principal Sewer Customers	13A 63
Debt Capacity	
Ratios of Outstanding Debt by Type	14 64
Pledged Revenue Coverage	15 65

Demographic and Economic Information		
Demographic and Economic Statistics	16	66
Principal Employers	17	67
Operating Information		
Schedule of Number of Employees	18	68
Operating and Capital Indicators	19	69
Performance Measures - System Statistics	20	70-71
Bear Creek Cost by Component	21	72
Historical Water System Demand	22	73
Historical Sewer System Demand	22A	74
Water and Sewer Map	23	75 - 76
Operating Budget Summary	24	77

COMPLIANCE SECTION

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 <i>Government Auditing Standards</i>		78 - 79
---	--	---------



June 27, 2023

Authority Board
Jackson County Water and Sewerage Authority
Jackson County, Georgia
Jefferson, Georgia

The Jackson County Water and Sewerage Authority (the “Authority”) is required to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Finance Report of the Authority for the year ended December 31, 2022, with comparative statements for the year ended December 31, 2021.

This report consists of management’s representations concerning the finances of the Authority. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the 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 Authority’s financial statements have been audited by Bates, Carter and Company, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended December 31, 2022, 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. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Authority’s financial statements for the year ended December 31, 2022, are presented in conformity with GAAP. The independent auditor’s report is presented on pages viii-xi as the first component of the financial section of this report.

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). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Authority's MD&A can be found on pages xii-xxii immediately following the report of the independent auditors.

Profile of the Government

The Jackson County Water and Sewerage Authority is a public body, corporate and politic, and was created by the Jackson County Water and Sewerage Authority Act (Georgia Laws 1986, pages 5473 *et seq.*, as amended). The Authority owns and operates a water and sewerage system that primarily serves the unincorporated area of Jackson County, Georgia. The Authority has the right to serve water and sewer needs beyond Jackson County and to surrounding counties in Georgia.

The Authority's board consists of five members. Board members are appointed by the Jackson County Board of Commissioners on a rotating schedule. Board members serve, without compensation, three-year staggered terms for a period not to exceed nine years. An Authority board member can be reappointed after three consecutive terms with at least one year of inactive status. The day-to-day operations of the Authority are managed by the Authority General Manager who is appointed by the Authority Board.

The Authority operates under an annual Board-approved budget for planning and operating related purposes. The Authority is not required by law to adopt an annual budget. The budget, which is developed on a line item program budget concept, sets out the allocation of anticipated operating revenue. The budget is approved by the Board at the summary level and included in the Annual Comprehensive Financial Report each year. The Authority utilizes an electronic purchase order system. All items are approved against the budget before being purchased.

The Authority employs an enterprise fund concept to account for its operations which are financed and operated in a manner similar to private business enterprises. An enterprise fund is a proprietary fund. All proprietary funds are accounted for using the full accrual basis of accounting. Revenues are recognized when they are earned and measurable, and expenses are recognized when the service is received, and the related liability is incurred. All utility service receivables are recorded at year end. Since the Authority operates solely on its generated revenue, there are no appropriations.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Authority operates.

Water Source

The Authority supplies its customers primarily by purchasing water from the Bear Creek Reservoir and Water Treatment Plant which is operated by the Upper Oconee Basin Water Authority. The 505 acre reservoir is located in southeast Jackson County. The Authority owns 25% of the Bear Creek Reservoir and 43.9% of the water treatment plant. This water is pumped from the reservoir into the adjacent water treatment plant where the water is conditioned and filtered, after which it is chlorinated and pumped into the Authority's system ready for use. The Authority supplements its need for treated water for its customers by purchasing, on an as needed basis, from the City of Commerce at the northeast portion of Jackson County, Barrow County at the southwest portion of Jackson County, and from the City of Gainesville located in Hall County. This is done mainly in response to high demands on the system such as water main breaks or other unforeseen circumstances.

Local Economy

Jackson County is in Northeast Georgia with U.S. Interstate Highway 85 (I-85) running through the City of Jefferson, which serves as the county seat. The City of Atlanta is less than one hour away from Jackson County traveling south on I-85. Athens, Georgia, the home of The University of Georgia is approximately twenty miles from the county seat of Jackson, Jefferson GA. With the county's close proximity to I-85 and other major highways and railways, Jackson County remains a gateway for the metro Atlanta suburbs to expand north.

As of May 2022, the County's largest employer is SK Battery employing 3,000 people. SK Battery is a major source of employment in Jackson County operating as a manufacturer of batteries.

Long-term Financial Planning

The Authority has developed a capital improvement plan consisting of numerous water line extensions, and upgrades to the water system and wastewater treatment plant. The Authority has identified a series of projects from its Five Year Capital Improvement Plan with the highest priority for funding. To ensure that adequate funding will be available to finance these capital improvements, the Authority General Manager and the various department managers, with the assistance of a rate and capital plan analyst, have developed a multi-year financial plan which is presented to the Board for approval periodically. Consideration has been given to expected increases in revenues as well as projected costs of future projects.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Jackson County Water and Sewerage Authority for its Annual Comprehensive Financial Report for the year ended December 31, 2021. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A 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.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Authority. We would like to express our appreciation to all of the employees of the Jackson County Water and Sewerage Authority who contributed to this report's preparation. We would also like to thank the Jackson County Water and Sewerage Authority board members for their interest and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.

Respectfully Submitted,



Joey P. Leslie
Authority General Manager



Judy W. Smith
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Jackson County Water & Sewerage Authority
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO



Principal Officials and Consultants

Authority Board as of December 31, 2022

Board Members	Term
Dylan Wilbanks – Chair	July 2021 - June 2024
Chris Nichols – Vice Chair	July 2022 - June 2025
Wade Johnson – Board Member	July 2022 - June 2025
Don Clerici – Board Member	July 2020 - June 2023
Kevin Poe – Board Member	July 2021 - June 2024

Authority General Manager

Joey P. Leslie, PE

Finance Director

Judy W. Smith, CGFO

Water Operations Manager

Harold L. Garrison

Wastewater Operations Manager

Mark S. Dudziak

Attorney

Paul Smart

Hulsey, Oliver and Mahar, LLP

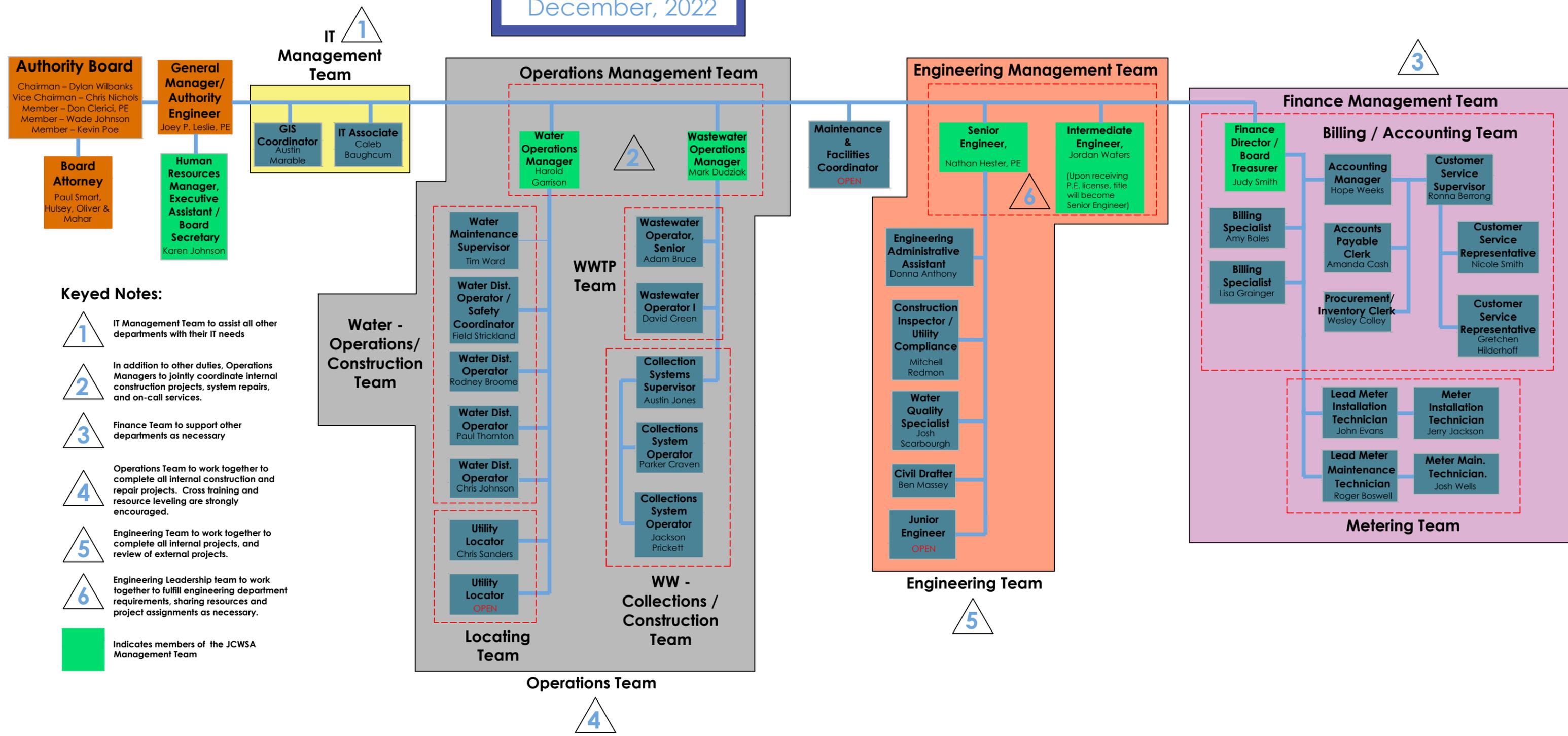
Auditors

BatesCarter CPA Firm

JCWSA

Organization Chart

December, 2022



Keyed Notes:

- 1** IT Management Team to assist all other departments with their IT needs
- 2** In addition to other duties, Operations Managers to jointly coordinate internal construction projects, system repairs, and on-call services.
- 3** Finance Team to support other departments as necessary
- 4** Operations Team to work together to complete all internal construction and repair projects. Cross training and resource leveling are strongly encouraged.
- 5** Engineering Team to work together to complete all internal projects, and review of external projects.
- 6** Engineering Leadership team to work together to fulfill engineering department requirements, sharing resources and project assignments as necessary.
- Indicates members of the JCWSA Management Team



INDEPENDENT AUDITOR'S REPORT

June 27, 2023

To the Members of the Board
JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
Jefferson, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of JACKSON COUNTY WATER AND SEWERAGE AUTHORITY, a component unit of JACKSON COUNTY, GEORGIA, as of and for the years ended December 31, 2022 and 2021, 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 of JACKSON COUNTY WATER AND SEWERAGE AUTHORITY, as of December 31, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle and Accounting Estimate

As discussed in Note 1 to the financial statements, the Authority has recorded a change in accounting principle according to GASB Statement 87, "Leases" and a change in accounting estimate for the recognition of premiums on revenue bonds and contracts payable. Our opinions are not modified with respect to these matters.

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 Audit 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 Financial Statements section of our report. We are required to be independent of JACKSON COUNTY WATER AND SEWERAGE AUTHORITY and to meet our 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 these 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 JACKSON COUNTY WATER AND SEWERAGE 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 audit 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 JACKSON COUNTY WATER AND SEWERAGE 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 JACKSON COUNTY WATER AND SEWERAGE 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 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, Schedule of the Net Pension Liability - JCWSA Retirement Plan, Schedule of Contributions - JCWSA Retirement Plan, Schedule of Notes to Required Supplementary Information - JCWSA Retirement Plan listed in the table of contents be presented to supplement the basic financial statements. Such information, 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.

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 or 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 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 June 27, 2023, on our consideration of the JACKSON COUNTY WATER AND SEWERAGE 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 the effectiveness of the JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's internal control over financial reporting and compliance.

Botes, Carter & Co., LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's comparative financial statements presents an analysis of the Authority's financial performance during the fiscal year ended December 31, 2022. This information is presented in conjunction with the audited basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2022

- The Authority's net position increased by \$7.8 million or 8.2% from \$94.8 million to \$102.6 million. In 2022, the Authority was able to recognize \$497 thousand in prepaid sewer tap fees collected; approximately 71.96% of all prepaid taps have been recognized as income at December 31, 2022. The Authority added 408 new sewer customers in 2022. The number of water and sewer connection fees collected for the period indicates that growth in Jackson County continues: The Authority connected 610 additional water customers to its system. For more detailed information see pages xiv-xv.
- Total operating revenues increased by 8.33% from \$13.92 million to \$15.08 million. During 2022, Jackson County continued to rebound in residential and commercial development. This resulted in an increase of revenue for the Authority in water and sewer sales. For more detailed information regarding this change, see page xix.
- Total operating expenses increased by 3.4% from \$11.6 million to \$12.0 million. The increase in the number of customers, as well as the aging water and sewer system, require operational costs to increase. Other operational costs, including salaries and benefits, increased due to the need for additional field and IT employees to meet the demands of the Authority's growing system. For more detailed information regarding this change, see page xx.
- Capital contributions increased 1.8% from \$5.5 million to \$5.6 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial statements consist of the following parts: Management's Discussion and Analysis, Independent Auditor's Report, and Basic Financial Statements. The financial statements include notes which explain in detail some of the information included in the financial statements.

BASIC FINANCIAL STATEMENTS

These statements are presented using the accrual basis of accounting. The accrual basis of accounting reports results of activities based on the occurrence of an economic event, regardless of the timing of revenue collections or payment of expenses. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accounts receivable and accounts payable).

Statement of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Authority with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Statement of Revenues, Expenses and Changes in Fund Net Position

The Statement of Revenues, Expenses and Changes in Fund Net Position presents information showing how the Authority's net position changed during the most recent fiscal year. The Statement of Revenues, Expenses and Changes in Fund Net Position distinguishes operating revenues and expenses from non-operating revenues and expenses.

Operating revenues generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues for the Authority are charges to customers for sales and services. Operating expenses for the Authority include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet the foregoing definitions are reported as non-operating revenues and expenses.

FINANCIAL ANALYSIS

Net Position

A summary of the Authority's Net Position and the changes are shown below:

Table 1 - Condensed Statement of Net Position (\$ in thousands)

	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	<u>% Change</u>
Current and Other Assets	\$ 36,916	\$ 31,925	\$ 4,991	16
Capital Assets	<u>109,171</u>	<u>109,809</u>	<u>(638)</u>	<u>(1)</u>
Total Assets	<u>146,087</u>	<u>141,734</u>	<u>4,353</u>	<u>3</u>
Deferred outflows - pension expense	373	476	(103)	(28)
Deferred charge on refunding	<u>162</u>	<u>238</u>	<u>(76)</u>	<u>(32)</u>
Total Deferred Outflows of resources	<u>535</u>	<u>714</u>	<u>(179)</u>	<u>(25)</u>
Long-term Liabilities	33,548	37,268	(3,720)	(10)
Current portion of Long-term Liabilities	3,787	3,755	32	1
Unearned Revenue	4,206	4,031	175	4
Other Liabilities	<u>419</u>	<u>6,175</u>	<u>(5,756)</u>	<u>(93)</u>
Total Liabilities	<u>37,754</u>	<u>47,198</u>	<u>(9,269)</u>	<u>(20)</u>
Net investment in capital assets	91,235	87,973	3,262	4
Net position restricted for debt service & capital asset acquisition	4,706	5,722	(1,016)	(18)
Unrestricted net position	<u>6,681</u>	<u>1,367</u>	<u>5,314</u>	<u>389</u>
Total Net Position	<u>\$ 102,622</u>	<u>\$ 95,062</u>	<u>\$ 7,560</u>	<u>8</u>

Table 1.5 - Prior Year Condensed Statement of Net Position (\$ in thousands)

	<u>2021</u>	<u>2020</u>	<u>Dollar Change</u>	<u>% Change</u>
Current and Other Assets	\$ 31,925	\$ 11,873	\$ 20,052	169
Capital Assets	<u>109,809</u>	<u>107,850</u>	<u>1,959</u>	<u>2</u>
Total Assets	<u>141,734</u>	<u>119,723</u>	<u>22,011</u>	<u>18</u>
Deferred outflows - pension expense	476	562	(86)	(18)
Deferred charge on refunding	<u>238</u>	<u>347</u>	<u>(109)</u>	<u>(31)</u>
Total Deferred Outflows of resources	<u>714</u>	<u>909</u>	<u>(195)</u>	<u>(21)</u>
Long-term Liabilities	37,268	22,805	14,463	63
Current portion of Long-term Liabilities	3,755	3,941	(186)	(5)
Unearned Revenue	4,031	4,912	(881)	(18)
Other Liabilities	<u>6,175</u>	<u>5,876</u>	<u>299</u>	<u>5</u>
Total Liabilities	<u>47,198</u>	<u>32,622</u>	<u>13,695</u>	<u>42</u>
Deferred inflows - pension expense	<u>-</u>	<u>51</u>	<u>(51)</u>	<u>(100)</u>
Total Deferred Inflows of resources	<u>-</u>	<u>51</u>	<u>(51)</u>	<u>(100)</u>
Net investment in capital assets	87,973	84,682	3,291	4
Net position restricted for debt service & capital asset acquisition	5,722	5,002	720	14
Unrestricted net position	<u>1,367</u>	<u>(1,725)</u>	<u>3,092</u>	<u>(179)</u>
Total Net Position	<u>\$ 95,062</u>	<u>\$ 87,959</u>	<u>\$ 7,103</u>	<u>8</u>

Table 2 - Capital Assets (\$ in thousands)

	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	<u>% Change</u>
Non-depreciable assets:				
Land	\$ 5,511	\$ 5,461	\$ 50	1
Construction in Progress	2,907	5,055	(2,148)	(42)
Land - water plant capacity	<u>2,381</u>	<u>2,381</u>	<u>-</u>	<u>-</u>
Total non-depreciable	<u>10,799</u>	<u>12,897</u>	<u>(2,098)</u>	<u>(41)</u>
Depreciable assets:				
Water Tanks	4,625	4,625	-	-
Water Lines	75,710	72,069	3,641	5
Meters	4,892	4,533	359	8
Building	1,416	1,416	-	-
Booster Pumps	2,366	2,366	-	-
Vehicles	1,033	878	155	18
Sewer System	33,789	33,082	707	2
Machinery & Equipment	2,113	2,178	(65)	(3)
Water Plant Capacity	<u>22,601</u>	<u>22,601</u>	<u>-</u>	<u>-</u>
Total depreciable assets	148,545	143,748	4,797	3
Less Accumulated Depreciation	<u>(50,174)</u>	<u>(46,835)</u>	<u>(3,339)</u>	<u>7</u>
Book value - depreciable assets	<u>98,371</u>	<u>96,913</u>	<u>1,458</u>	<u>2</u>
Book value - all capital assets	<u>\$ 109,170</u>	<u>\$ 109,810</u>	<u>\$ (640)</u>	<u>(39)</u>
Percentage depreciated	(34)%	(33)%		

Table 2.5 - Prior Year Capital Assets (\$ in thousands)

	<u>2021</u>	<u>2020</u>	<u>Dollar Change</u>	<u>% Change</u>
Non-depreciable assets:				
Land	\$ 5,461	\$ 4,905	\$ 556	11
Construction in Progress	5,055	2,767	2,288	83
Land - water plant capacity	<u>2,381</u>	<u>2,381</u>	<u>-</u>	<u>-</u>
Total non-depreciable	<u>12,897</u>	<u>10,053</u>	<u>2,844</u>	<u>94</u>
Depreciable assets:				
Water Tanks	4,625	4,625	-	-
Water Lines	72,068	71,245	823	1
Meters	4,533	4,125	408	10
Building	1,416	1,416	-	-
Booster Pumps	2,366	2,366	-	-
Vehicles	878	719	159	22
Sewer System	33,082	32,339	743	2
Machinery & Equipment	2,178	2,056	122	6
Water Plant Capacity	<u>22,601</u>	<u>22,601</u>	<u>-</u>	<u>-</u>
Total depreciable assets	143,747	141,492	2,255	2
Less Accumulated Depreciation	<u>(46,835)</u>	<u>(43,694)</u>	<u>(3,141)</u>	<u>7</u>
Book value - depreciable assets	<u>96,912</u>	<u>97,798</u>	<u>(886)</u>	<u>(1)</u>
Book value - all capital assets	<u>\$ 109,809</u>	<u>\$ 107,851</u>	<u>\$ 1,958</u>	<u>93</u>
Percentage depreciated	(33)%	(31)%		

At December 31, 2022, the depreciable capital assets were (34)% depreciated, slightly above the 2021 percentage of (33)%. This comparison indicates that the Water Authority is replacing its assets at about the same rate as they are depreciating, which is a positive indicator.

Capital Asset and Long-term Debt Activity

The Authority's capital assets at December 31, 2022, were \$109.2 million, net of \$50.2 million in accumulated depreciation. The investment, which includes the assets listed above, decreased by \$(0.6) million. Multiple water and sewer capital projects were completed in 2022, adding to the assets of the Authority and reducing Construction in Progress. See Note 5 Capital Assets for more detailed information.

Long-term liabilities decreased by \$(3.7) million. This decrease is a result of the decrease of revenue bonds and contracts payable as debt is paid down. See Note 6 Long Term Debt for more detailed information.

Table 3 - Condensed Comparative Statements of Activities and Changes in Net Position (\$ in thousands)

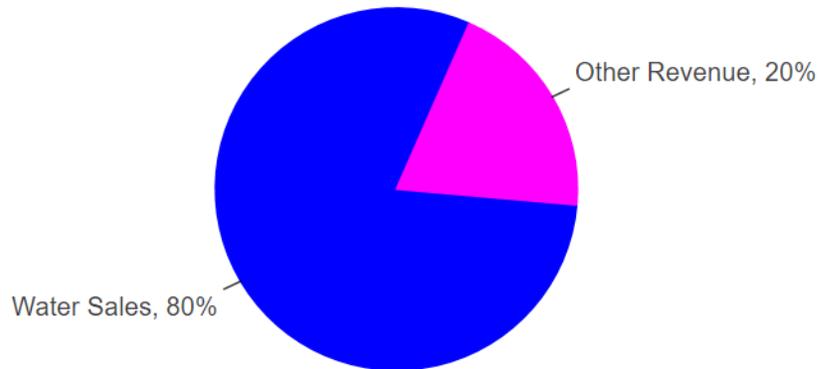
	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	<u>% Change</u>
Operating Revenues	\$ 15,084	\$ 13,924	\$ 1,160	8
Nonoperating Revenues	264	115	149	130
Total Revenues	<u>15,348</u>	<u>14,039</u>	<u>1,309</u>	<u>9</u>
Depreciation Expense	3,498	3,326	172	5
Other Operating Expenses	8,464	8,258	206	2
Nonoperating Expenses	1,071	869	202	23
Total Expenses	<u>13,033</u>	<u>12,453</u>	<u>580</u>	<u>5</u>
Income Before Capital Contributions	2,315	1,586	729	46
Capital Contributions	5,551	5,517	34	1
Changes in Net Position	<u>7,866</u>	<u>7,103</u>	<u>763</u>	<u>10.7</u>
Beginning Net Position	95,062	87,959	7,103	8
Change in accounting estimate	(306)	-	(306)	-
Beginning Net Position, as restated	<u>94,756</u>	<u>87,959</u>	<u>6,797</u>	<u>8</u>
Ending Net Position	<u>\$ 102,622</u>	<u>\$ 95,062</u>	<u>\$ 7,560</u>	<u>8</u>

Table 3.5 - Prior Year Condensed Comparative Statements of Activities and Changes in Net Position (\$ in thousands)

	<u>2021</u>	<u>2020</u>	<u>Dollar Change</u>	<u>% Change</u>
Operating Revenues	\$ 13,924	\$ 11,635	\$ 2,289	20
Nonoperating Revenues	115	(113)	228	(202)
Total Revenues	<u>14,039</u>	<u>11,522</u>	<u>2,517</u>	<u>22</u>
Depreciation Expense	3,345	3,035	310	10
Other Operating Expenses	8,258	7,436	822	11
Nonoperating Expenses	869	896	(27)	(3)
Total Expenses	<u>12,472</u>	<u>11,367</u>	<u>1,105</u>	<u>10</u>
Income Before Capital Contributions	1,567	155	1,412	911
Capital Contributions	5,517	5,009	508	10
Changes in Net Position	<u>7,084</u>	<u>5,164</u>	<u>1,920</u>	<u>37.2</u>
Beginning Net Position	87,959	82,795	5,164	6
Ending Net Position	<u>\$ 95,062</u>	<u>\$ 87,959</u>	<u>\$ 7,103</u>	<u>8</u>

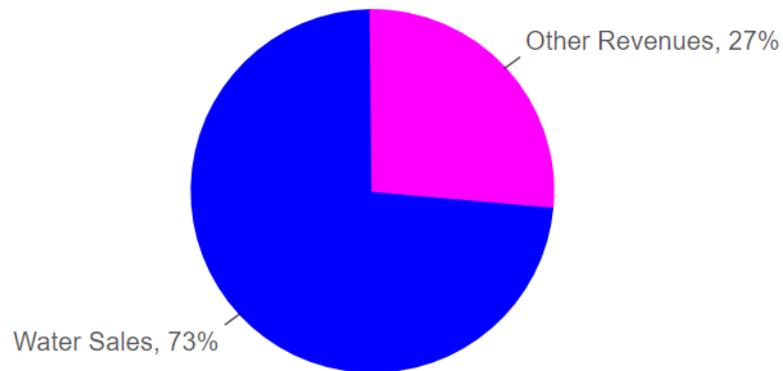
The Major Sources of Operating Revenues are shown below:

OPERATING REVENUE - 2022



At December 31, 2022, the Authority's customer base was 11,832 water customers and 3,467 sewer customers. The largest wholesale customer was the City of Braselton.

OPERATING REVENUE - 2021



At December 30, 2021, the Authority's customer base was 11,222 water customers and 3,059 sewer customers. The largest wholesale customer was the City of Braselton.

Changes in Major Sources of Operating Revenues (\$ in thousands)

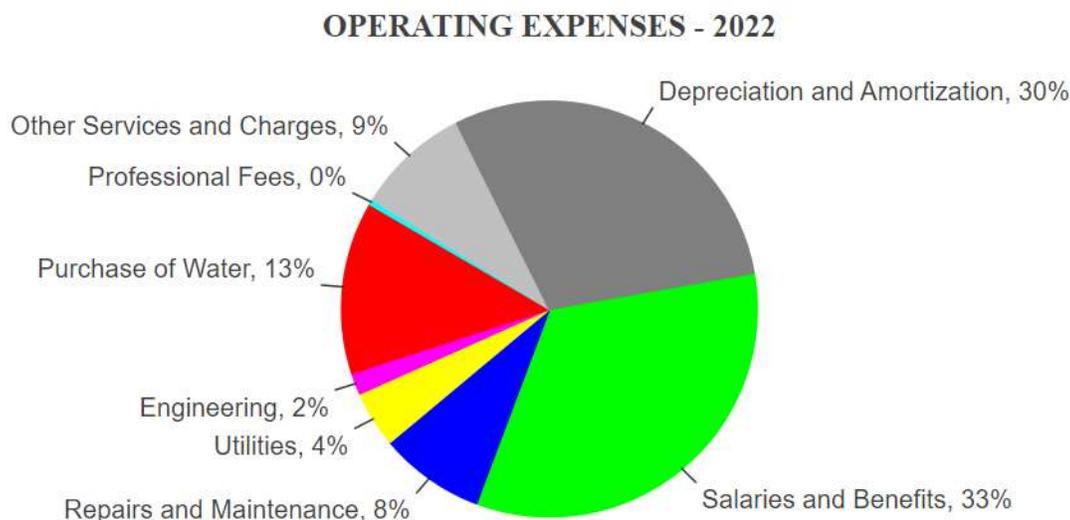
	<u>2022</u>	<u>2021</u>	<u>Variance</u>
Water Sales	\$ 10,132	\$ 8,818	\$ 1,314
Sewer Sales*	2,452	1,917	535
Other Revenues	2,500	3,189	(689)
	<u>\$ 15,084</u>	<u>\$ 13,924</u>	<u>\$ 1,160</u>

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Water Sales	\$ 8,818	\$ 8,461	\$ 357
Sewer Sales*	1,917	1,517	400
Other Revenues	3,189	1,657	1,532
	<u>\$ 13,924</u>	<u>\$ 11,635</u>	<u>\$ 2,289</u>

*Sewer sales were broken out in 2022 to accurately reflect major operating sources for the Authority

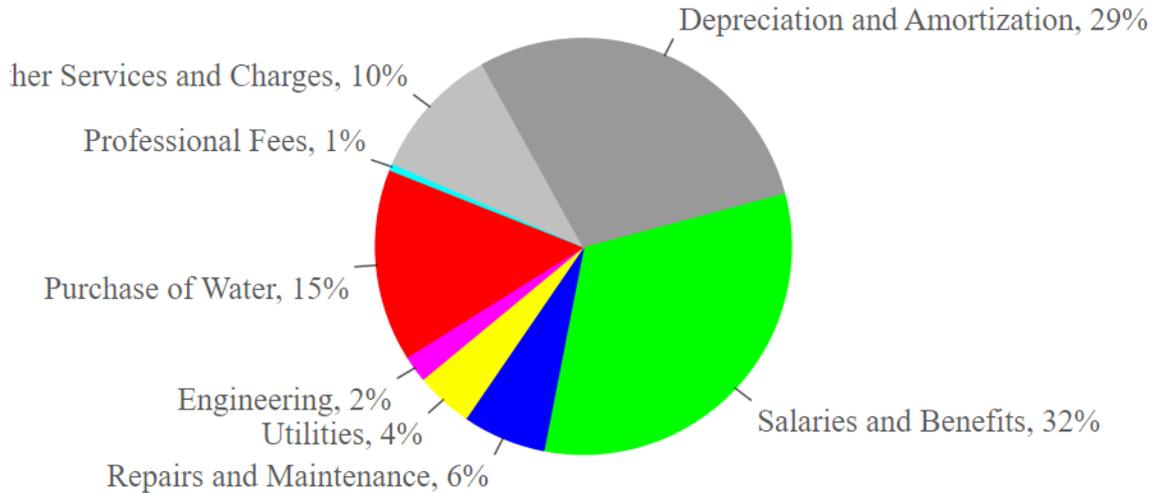
The increase in the operating revenues can be attributed to the increase in water and sewer sales for the year. This is a result of the adjusted rate schedule for sewer customers adopted in 2022, as well as the growth in the Authority's customer base realized in the year. The Authority's water customer base increased by 5.8% and the sewer customer base increased by 17.4% in 2022. This was also a contributing factor to the revenue growth. See Table 10G & 10H Water & Sewer Rates for more detailed information.

The Major Sources of Operating Expenses are shown below:



Percentages may not equal 100% due to rounding.

OPERATING EXPENSES - 2021



The Authority is a distributor of water. Presently the Authority relies solely on supplying its customers with water purchased from Bear Creek Reservoir. An interconnection with the City of Commerce, Barrow County, and the City of Gainesville exists for emergencies. The Authority has in place an Intergovernmental Agreement with the City of Jefferson whereby it contributes 25% towards the City's Parks Creek Reservoir project for a 25% share of the allocation from the future reservoir.

The sewage received into the system is treated at the Middle Oconee Wastewater Treatment Plant. The treatment plant can treat up to 1.25 million gallons of sewage per day. The Authority has in place an Intergovernmental Agreement with the City of Jefferson whereby each entity may utilize treatment of up to 100,000 gallons of sewage per day of committed capacity from each entity's respective treatment plants.

Changes in Major Sources of Operating Expenses (\$ in thousands)

	<u>2022</u>		<u>2021</u>		<u>Variance</u>		<u>% Change</u>
Salaries and Benefits	\$ 4,007	\$	3,735	\$	272		7
Repairs and Maintenance	982		751		231		31
Utilities	525		516		9		2
Engineering	201		242		(41)		(17)
Purchase of Water	1,604		1,727		(123)		(7)
Professional Fees	49		60		(11)		(18)
Other Services and Charges	1,056		1,208		(152)		(13)
Depreciation & Amortization	3,538		3,345		193		6
	<u>\$ 11,962</u>	\$	<u>11,584</u>	\$	<u>378</u>		<u>3</u>

The change in repairs and maintenance during 2022 contributed to the largest increases in operating expenses. This increase is due to the aging of the water system and required repairs and maintenance

as a result. The Aging Meter Program has resulted in increased costs through the replacement of meters that have reached the end of life. The decrease in engineering and professional fees is a result of engineering design completion of several SPLOST projects in 2021. Professional fees associated with legal services is directly associated with these projects and have decreased as a result of completion of the projects.

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>% Change</u>
Salaries and Benefits	\$ 3,735	\$ 3,371	\$ 364	11
Repairs and Maintenance	751	608	143	24
Utilities	516	476	40	8
Engineering	242	241	1	-
Purchase of Water	1,727	1,951	(224)	(11)
Professional Fees	60	73	(13)	(18)
Other Services and Charges	1,208	715	493	69
Depreciation & Amortization	3,345	3,035	310	10
	<u>\$ 11,584</u>	<u>\$ 10,470</u>	<u>\$ 1,114</u>	<u>11</u>

The change in utilities, engineering, and other services and charges during 2021 contributed to the largest increases in operating expenses. The increase to utilities is due to the increased need to provide power to the water pumping and sewer lift station in the system. The increase to engineering costs is due to the continued growth of the system and the water and sewer modeling project undertaken in the year. The other services and charges expenses increased due to the growth to the water and sewer system.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

This audit is for the period of January 1, 2022, to December 31, 2022. The next anticipated rate increase will become effective February 2023 upon adoption of the 2023 Annual Budget by the Authority Board.

The need for rate adjustments is reviewed each year during the budgeting process by Authority staff. This review includes operational and capital needs of the system for the next year and the foreseeable future. A rate analysis is conducted every 2 to 3 years by an independent rate consultant. Results are reviewed by staff and presented to the Authority Board along with recommendations for a rate adjustment plan.

ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide the Authority's customers, investors, and other interested parties with an overview of the Authority's financial operations and financial condition. Should the reader have questions regarding the information in this report or wish to request additional information, please contact the Jackson County Water and Sewerage Authority Finance Director at P.O. Box 869, Jefferson, Georgia 30549.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2022 and 2021

	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUND	
	2022	Restated 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 11,003,862	\$ 5,836,978
Receivables - trade, net	649,085	513,273
Receivables - other governments	51,480	19,700
Miscellaneous receivables	511,647	310,372
Unbilled revenue	739,240	548,160
Inventory	532,902	493,001
Prepaid expenses	343,834	216,693
Restricted:		
Cash restricted - SPLOST construction	3,175,792	3,787,587
Cash restricted - revenue bond construction	17,848,052	18,027,007
Cash restricted - debt service	1,169,020	1,032,162
Cash restricted - debt service reserve	-	339,745
Cash restricted - escrow for capital asset	804,073	800,241
Total Current Assets	36,828,987	31,924,919
Noncurrent Assets		
Capital Assets:		
Capital assets, non-depreciable	10,799,176	12,896,785
Capital assets, depreciable	148,545,750	143,747,446
Less accumulated depreciation	(50,173,985)	(46,834,792)
Total Capital Assets, net	109,170,941	109,809,439
Other Assets		
Lease assets, net of accumulated amortization	87,387	72,659
Total Other Assets	87,387	72,659
Total Noncurrent Assets	109,258,328	109,882,098
TOTAL ASSETS	146,087,315	141,807,017
DEFERRED OUTFLOWS OF RESOURCES		
Pension expense	373,494	475,704
Deferred charge on refunding	161,677	237,777
TOTAL DEFERRED OUTFLOWS OF RESOURCES	535,171	713,481
TOTAL ASSETS & DEFERRED OUTFLOWS	\$ 146,622,486	\$ 142,520,498

CONTINUED...

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2022 and 2021

	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUND	
	2022	Restated 2021
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 536,689	\$ 423,243
Accrued payroll withholdings	54,090	46,520
Due to other governments	3,112	3,167
Lease liabilities, current	40,531	22,175
Contracts payable, current	1,256,874	1,124,368
Current liabilities payable from restricted assets		
Accounts payable - construction	41,240	306,516
Accrued interest payable	442,717	237,406
Customer deposits	253,031	208,277
Held in trust for developers	148,875	118,800
Held in trust for escrow	800,000	800,000
Revenue bonds payable, current	2,529,785	2,630,814
Total Current Liabilities	6,106,944	5,921,286
Long-Term Liabilities		
Unearned revenue	4,206,315	4,031,292
Lease liabilities	46,807	50,272
Revenue bonds payable	25,656,202	28,365,729
Contracts payable	6,462,114	7,673,711
Net pension liability	1,382,389	1,228,088
Total Long-term Liabilities	37,753,827	41,349,092
TOTAL LIABILITIES	43,860,771	47,270,378
DEFERRED INFLOWS OF RESOURCES		
Pension expense	140,145	188,394
TOTAL DEFERRED INFLOWS OF RESOURCES	140,145	188,394
TOTAL LIABILITIES & DEFERRED INFLOWS	44,000,916	47,458,772
NET POSITION		
Net investment in capital assets	91,234,504	87,973,297
Restricted for:		
Debt service	726,303	1,134,501
Capital asset acquisition	3,979,865	4,587,828
Unrestricted net position	6,680,898	1,366,100
TOTAL NET POSITION	\$ 102,621,570	\$ 95,061,726

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
Years Ended December 31, 2022 and 2021

	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUND	
	2022	Restated 2021
Operating revenues		
Pledged as security for revenue bonds:		
Charges for water service	\$ 10,131,714	\$ 8,818,080
Charges for sewer service	2,452,182	1,916,640
Water tap on fees - cost	1,577,659	2,489,902
Sewer tap on fees - cost	847,240	584,470
Other	75,439	115,362
Total operating revenues	<u>15,084,234</u>	<u>13,924,454</u>
Operating expenses		
Depreciation	3,498,376	3,326,471
Engineering	201,199	241,451
Insurance	119,830	105,533
Other service and charges	936,015	1,102,896
Professional fees	48,729	59,846
Purchase of water	1,603,850	1,727,272
Repairs and maintenance	982,124	750,701
Salaries and benefits	4,006,778	3,734,931
Utilities	525,481	516,123
Amortization	39,916	18,996
Total operating expenses	<u>11,962,298</u>	<u>11,584,220</u>
Operating income	<u>3,121,936</u>	<u>2,340,234</u>
Non-operating revenues (expenses)		
Interest income	236,951	25,280
Interest expense	(1,070,999)	(868,828)
Gain / (Loss) on disposal of assets	27,010	89,481
Total non-operating revenues (expenses)	<u>(807,038)</u>	<u>(754,067)</u>
Income (loss) before contributions	<u>2,314,898</u>	<u>1,586,167</u>
Contributions		
Contributed capital	50,000	-
Donated water and sewer lines	939,170	1,716,974
Tap fees in excess of cost - water	1,089,141	911,648
Tap fees in excess of cost - sewer	2,626,537	2,246,314
Special purpose local option sales taxes transferred from Jackson County	845,818	642,039
Total contributions	<u>5,550,666</u>	<u>5,516,975</u>
Change in net position	7,865,564	7,103,142
Total Net Position, Beginning of Year	95,061,726	87,958,584
Cumulative effect of change in accounting estimate	(305,720)	-
Total Net Position, Beginning of year, as adjusted	<u>94,756,006</u>	<u>87,958,584</u>
Total Net Position, End of Year	<u>\$ 102,621,570</u>	<u>\$ 95,061,726</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Years Ended December 31, 2022 and 2021

	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUND	
	2022	Restated 2021
Cash flows from operating activities		
Receipts from customers and users	\$ 14,569,041	\$ 13,840,331
Payments to suppliers	(4,470,879)	(4,636,448)
Payments to employees	(3,790,946)	(3,740,819)
Net cash provided by (used in) operating activities	<u>6,307,216</u>	<u>5,463,064</u>
Cash flows from capital and related financing activities		
Sales tax proceeds, county portion	845,818	1,105,904
Acquisition and construction of capital assets	(2,197,229)	(3,434,180)
Proceeds (costs) from sale of assets	27,010	99,967
Interest paid	(1,245,333)	(834,858)
Proceeds from issuance of long-term debt	-	19,430,728
Principal payments on long-term debt	(2,625,000)	(2,530,000)
Principal payments on UOBWA Contract	(1,113,055)	(1,079,692)
Principal payments under lease obligations	-	(19,209)
Payments to escrow agent for bond refunding	-	(1,154,000)
Receipts from capital grants	50,000	-
Receipt of Escrow held for property sale	-	800,000
Receipts for sewer taps - unearned	672,000	468,000
Payment of funds held for developers	-	(5,095)
Tap fees in excess of costs	3,218,701	1,808,928
Net cash provided by (used in) capital and related financing activities	<u>(2,367,088)</u>	<u>14,656,493</u>
Cash flows from investing activities		
Interest income	236,951	25,281
Net cash provided by (used in) investing activities	<u>236,951</u>	<u>25,281</u>
Net increase (decrease) in cash and cash equivalents	4,177,079	20,144,838
Cash and cash equivalents at beginning of year	<u>29,823,720</u>	<u>9,678,882</u>
Cash and cash equivalents at end of year	<u>\$ 34,000,799</u>	<u>\$ 29,823,720</u>

CONTINUED...

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Years Ended December 31, 2022 and 2021

...CONTINUED	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUND	
	2022	Restated 2021
Cash and cash equivalents shown on Statement of Net Position		
Cash and cash equivalents	\$ 11,003,862	\$ 5,836,978
Cash restricted - SPLOST construction	3,175,792	3,787,587
Cash restricted - revenue bond construction	17,848,052	18,027,007
Cash restricted - revenue bond debt service	1,169,020	1,032,162
Cash restricted - debt service reserve	-	339,745
Cash restricted - escrow for capital asset	804,073	800,241
Total cash and cash equivalents	\$ 34,000,799	\$ 29,823,720
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income	\$ 3,121,936	\$ 2,340,234
Adjustments to reconcile operating income (loss) to net cash provided by (used by) operating activities:		
Depreciation	3,498,376	3,326,471
Amortization of lease assets	39,916	18,996
(Increase) decrease in accounts receivable	(528,167)	(103,512)
(Increase) decrease in due from other governments	(31,780)	(5,008)
(Increase) decrease in inventory	(39,901)	(253,696)
(Increase) decrease in prepaid expense	(127,141)	(8,736)
(Increase) decrease in deferred outflows related to pension	102,210	85,814
Increase (decrease) in accounts payable	113,446	129,095
Increase (decrease) in accrued expenses	7,570	9,060
Increase (decrease) in customer deposits	44,754	24,397
Increase (decrease) in net pension liability	154,301	(237,708)
Increase (decrease) in deferred inflows related to pension	(48,249)	136,946
Increase (decrease) in due to other governments	(55)	711
Total Adjustments	3,185,280	3,122,830
Net cash provided by (used in) operating activities	\$ 6,307,216	\$ 5,463,064
Supplemental Information about non-cash activities:		
Donated water and sewer lines	\$ 939,170	\$ 1,716,974
Undepreciated cost of capital assets disposed	\$ -	\$ 10,486
Capital assets acquired through capital leases	54,644	-
Amortization of original issue premium and bond refunding	\$ 312,585	\$ 43,100
Tap fees recognized as revenue for cash received in prior years	\$ 496,977	\$ 881,034

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the JACKSON COUNTY WATER AND SEWERAGE AUTHORITY have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

REPORTING ENTITY

The JACKSON COUNTY WATER AND SEWERAGE AUTHORITY is the basic level of government that has oversight responsibility and control over all activities related to water and sewerage systems in JACKSON COUNTY, Georgia. The Authority receives most of its operating revenues from sales of water service and connection fees. The Authority receives the rest of the funding from local and state government sources and must comply with the requirements of these funding entities. The Authority is also included as a component unit within the JACKSON COUNTY, Georgia governmental "reporting entity" as defined by GASB pronouncement 14, because the JACKSON COUNTY Board of Commissioners appoints all members of the Authority's board and guarantees a substantial portion of the debt of the Authority.

GOVERNMENT WIDE AND FUND FINANCIAL STATEMENTS

Because the Authority is a special-purpose government engaged only in business type activities, it is not required to present a statement of activities to comply with the provisions of GASB Statement 34.

FUND ACCOUNTING

The Authority uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

The Authority has one fund, which is a proprietary (enterprise) fund.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to the private sector - where the intent of the governing body is that the expenses, including depreciation of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENTS

For 2022, the Authority implemented GASB Statement No. 87, "*Leases*" and as a result recognized a change in accounting principle as of January 1, 2021 in order to retroactively report the change to the earliest period reported. Additionally, the Authority recognized a change in accounting estimate to change the methodology of measuring premiums on revenue bonds and contracts payable.

Change in Accounting Principle

GASB Statement No. 87 enhances the relevance and consistency of information about governments' leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. These changes were incorporated in the Authority's 2022 financial statements and had an effect on the beginning net position of the enterprise fund. The Authority recognized \$72,659 in lease assets at January 1, 2021; however this entire amount was offset by a lease liability.

In the comparative financial statements, the activity during 2021 has been restated to reflect the changes from the implementation described above and includes amortization expense of lease assets of \$18,996 and offsetting lease liability payments of \$19,209. The net effect of the change in accounting principle was \$212.

Change in Accounting Estimate

The Authority reported a change in accounting estimate to change the recognition of premiums on revenue bonds and contracts payable from the effective interest method to the straight line method. To restate the premium balances, the Authority recognized \$305,720 as a change in accounting estimate at January 1, 2022.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Restatements

The implementation of GASB Statement No. 87 and change in accounting estimate had the following effect on net position as of January 1, 2022 and 2021:

	2022	2021
Net Position, January 1	\$ 95,061,514	\$ 87,958,584
Prior year change in accounting estimate	212	-
Beginning Restated Net Position, January 1	95,061,726	87,958,584
Lease assets, net of accumulated amortization	-	91,655
Lease liabilities, current	-	(19,209)
Lease liabilities, long-term	-	(72,446)
Change in accounting principle	-	-
Accrued interest payable, current	(144,727)	-
Contracts payable	(138,455)	-
Revenue bonds payable	(22,538)	-
Change in accounting estimate	(305,720)	-
Ending Restated Net Position, January 1	\$ 94,756,006	\$ 87,958,584

FINANCIAL STATEMENT RECLASSIFICATION

Certain accounts have been reclassified from the prior year for ease of comparison on the financial statements. These reclassifications affect neither the net income nor the retained earnings of the Authority.

BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Proprietary funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Authority are charges to customers for sales and services. Operating expenses for the Authority 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 government's policy to use the restricted resources first, then unrestricted resources as they are needed.

BUDGETS

The Authority is not legally required to adopt a budget. However, the Authority Board has approved an annual operating budget for planning, control, and evaluation purposes.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash includes amounts in demand deposits. Cash equivalents include those investments that have an initial maturity of three months or less. State statutes authorize the government to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool (Georgia Fund 1); repurchase agreements; and bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions.

Investments are reported at fair value as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

RESTRICTED ASSETS

Certain proceeds of the Authority's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

Certain proprietary fund assets are restricted for construction funded through Special Purpose Local Option Sales Tax (SPLOST) revenue. The related current liabilities to be repaid from these restricted assets are displayed separately on the Statement of Net Position.

INVENTORY

Inventory of supplies not allocable to contracts in progress is stated at the lower of cost (first-in, first-out) or market.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2022 are recorded as prepaid items.

BOND AND LOAN ISSUANCE COSTS, PREMIUMS, AND DISCOUNTS

Premiums and discount are deferred and amortized over the lives of the bonds and loans on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount.

Amortization costs for the years 2022 and 2021 were \$236,486 and \$43,100. None of these costs were capitalized in 2022 or 2021.

COMPENSATED ABSENCES

As of July 31, 2017, the Authority no longer allows vested or accumulated annual leave that is paid out at the end of employment. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CAPITAL ASSETS AND RIGHT TO USE LEASE ASSETS

Capital assets, which include property, plant, equipment, and right to use lease assets in the proprietary fund of the Authority are recorded at cost. The Authority defines capital assets as assets with an initial, individual cost of \$30,000 and an estimated useful life in excess of five years. The Authority has no assets that would be classified as infrastructure. Since the Authority has records of actual cost, estimates of historical cost of capital assets have not been necessary. Capital assets donated to these proprietary fund type operations are recorded at their acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Capital assets and right to use lease assets are depreciated or amortized in the proprietary fund of the Authority using the straight-line method over the following estimated useful lives:

Water tanks and lines	50 Years
Sewer lines	50 Years
Sewer lift stations & water treatment facilities	50 Years
Water pump stations	20 Years
Equipment	5-10 Years
Vehicles	5 Years
Buildings	40 Years
Building improvements	10-30 Years
Water plant capacity - dam/reservoir	100 Years

NET INVESTMENT IN CAPITAL ASSETS

The "net investment in capital assets" reported on the statement of net position is calculated as follows:

	2022	2021
Net investment in capital assets:		
Cost of capital assets	\$ 159,344,926	\$ 156,644,231
Accumulated depreciation	(50,173,985)	(46,834,792)
Book value	109,170,941	109,809,439
Lease assets, net of accumulated amortization	87,387	72,659
Lease liabilities	(87,338)	(72,447)
Contracts payable related to capital assets	(7,718,988)	(8,798,079)
Unspent construction proceeds	17,848,052	18,027,007
Accounts payable related to capital assets	(41,240)	(306,516)
Revenue bonds related to capital assets	(28,185,987)	(30,996,543)
Deferred charge on refunding	161,677	237,777
Net investment in capital assets	\$ 91,234,504	\$ 87,973,297

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government may have two types of items that qualify for reporting in this category. The first is the deferred charge on refunding. A deferred charge on refunding 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. The amortization is part of the interest expense for the year. The second is the deferred charge in pension expense, which represents differences between

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability and changes of assumptions about future economic or demographic factors or of other inputs. These deferred outflows will be recognized in pension expense using a systematic and rational method over a closed five-year period, beginning in the current reporting period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that qualifies for reporting in this category. This item is the deferred charge in pension expense representing contributions made into the defined benefit pension plan after the measurement date. These contributions will be recognized as pension expense in the next fiscal year.

NOTE 2 - DEPOSITS AND INVESTMENTS

The goal of the Authority in investing is to obtain a reasonable return on investments with a minimum exposure to potential loss of capital due to market fluctuations.

INTEREST RATE RISK

The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CREDIT RISK

The Authority has no investment policy that would further limit its investment choices.

CONCENTRATION OF CREDIT RISK

The Authority places no limit on the amount it may invest in any one issuer.

CUSTODIAL CREDIT RISK - DEPOSITS

In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. The Authority's policies permit it to exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions if the funds are otherwise adequately secured.

As of December 31, 2022 and 2021, these deposits were fully insured and collateralized.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below:

Under the *dedicated method*, a depository shall secure the deposits of each of its public depositors separately. State statutes require collateral pledged in the amount of 110% of deposits.

Under the *pooled method*, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1. State statutes require collateral pledged in the amount of 110% of deposits under the single bank pooled method or at least 100% of amounts greater than 20% of the daily pool balance held by any one covered depository under the multibank pooled method.

The Authority utilized the pooled method to secure deposits of public funds.

A hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs requiring that the most observable inputs be used when available was established. Level 1 within the hierarchy states that valuations are based on unadjusted quoted market prices for identical assets in active markets. Level 2 within the hierarchy states that valuations are based on observable inputs other than Level 1 process, such as quoted prices for similar assets, quoted prices in inactive markets and other inputs that may be corroborated by observable market data. Level 3 assets are not actively traded, and their values can only be estimated using a combination of complex market prices, mathematical models, and subjective assumptions.

As of December 31, 2022 and 2021, the only assets that are measured at market value on a recurring basis in periods subsequent to initial recognition are investments. Such investments are classified within Level 1 or Level 2 of the valuation hierarchy.

As of December 31, 2022, the Authority had the following investments which are all reported as cash equivalents:

Investment Type	Fair Market Value		Investment Maturities (in Years)	Rating (1)
	Level 1	Less Than 1		
Fidelity Money Market - Construction	\$ 17,848,052	\$ 17,848,052		AAAm
Fidelity Money Market - Debt Service	1,169,020	1,169,020		AAAm
Peachstate Money Market	804,073	804,073		AAAm
Total	<u>\$ 19,821,145</u>	<u>\$ 19,821,145</u>		
Maximum Investment		100 %		

1. Standard & Poors

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

As of December 30, 2021, the Authority had the following investments which are all reported as cash equivalents:

Investment Type	Fair Market Value		Investment	Rating (1)
	Level 1	Maturities (in Years)		
		Less Than 1		
Fidelity Money Market - Construction	\$ 18,027,007	\$ 18,027,007		AAAm
Fidelity Money Market - Debt Service	1,032,162	1,032,162		AAAm
Fidelity Money Market - Reserve	339,745	339,745		AAAm
Peachstate Money Market	800,241	800,241		AAAm
Total	<u>\$ 20,199,155</u>	<u>\$ 20,199,155</u>		
Maximum Investment			100 %	

1. Standard & Poors

NOTE 3 - CUSTOMER DEPOSITS

Customer deposits are amounts paid by customers to guarantee their payment of water bills.

NOTE 4 - RECEIVABLES

Receivables as of year-end, including applicable allowances for uncollectible accounts, are as follows:

	<u>2022</u>	<u>2021</u>
Receivables:		
Accounts	\$ 677,048	\$ 541,211
Intergovernmental	51,480	19,700
Long term contracts receivable	10,083	4,429
Miscellaneous	<u>501,564</u>	<u>309,731</u>
Total gross receivables	1,240,175	875,071
Less: allowance for uncollectibles	<u>(27,963)</u>	<u>(31,726)</u>
Total net receivables	<u>\$ 1,212,212</u>	<u>\$ 843,345</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 5 - CAPITAL ASSETS

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

	Beginning Balance December 31, 2021	Addition(s)	Retirements	Transfers & Adjustments	Ending Balance December 31, 2022
Business-type activities					
Non-depreciable assets:					
Land	\$ 3,461,083	\$ 50,000	\$ -	\$ -	\$ 3,511,083
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Land - Park Creek Reservoir	2,000,000	-	-	-	2,000,000
Construction in progress	5,054,903	1,881,954	(11,244)	(4,018,319)	2,907,294
Total non-depreciable capital assets	12,896,785	1,931,954	(11,244)	(4,018,319)	10,799,176
Depreciable assets:					
Buildings	1,415,701	-	-	-	1,415,701
Water tanks	4,625,060	-	-	-	4,625,060
Booster pumps	2,365,652	-	-	-	2,365,652
Water lines	72,068,519	231,724	-	3,410,115	75,710,358
Meters	4,533,555	-	-	358,655	4,892,210
Vehicles	877,869	-	-	155,449	1,033,318
Sewer system	33,081,857	707,445	-	-	33,789,302
Machinery and equipment	2,177,878	-	(159,184)	94,100	2,112,794
Water plant capacity	22,601,355	-	-	-	22,601,355
Total depreciable capital assets	143,747,446	939,169	(159,184)	4,018,319	148,545,750
Less accumulated depreciation for:					
Buildings	(481,417)	(58,555)	-	-	(539,972)
Water tanks	(1,700,837)	(94,332)	-	-	(1,795,169)
Booster pumps	(1,177,040)	(97,257)	-	-	(1,274,297)
Water lines	(25,187,521)	(1,473,582)	-	-	(26,661,103)
Water meters	(2,931,627)	(264,463)	-	-	(3,196,090)
Vehicles	(598,555)	(116,137)	-	-	(714,692)
Sewer system	(6,913,947)	(793,406)	-	-	(7,707,353)
Machinery and equipment	(1,295,543)	(272,786)	159,184	-	(1,409,145)
Water plant capacity	(6,548,305)	(327,859)	-	-	(6,876,164)
Total accumulated depreciation	(46,834,792)	(3,498,377)	159,184	-	(50,173,985)
Total depreciable capital assets, net	96,912,654	(2,559,208)	-	4,018,319	98,371,765
Business-type capital assets, net	\$ 109,809,439	\$ (627,254)	\$ (11,244)	\$ -	\$ 109,170,941

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

The Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2022 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended to Date	Contracts in Progress	Authorized Not Obligated	Funding Source
Parks Creek Reservoir	\$ 6,600,000	\$ 1,262,286	\$ -	\$ 5,337,714	Renewal & Extension Fund
Hwy 60 VFD - 2015	205,530	-	-	205,530	Renewal & Extension Fund
Package Plant Mulberry WWTP	35,000	34,279	-	721	SPLOST
Water Resources Devt/Planning	550,000	493,471	-	56,529	Renewal & Extension Fund
Bear Creek Dam Waterline	556,374	117,819	-	438,555	Renewal & Extension Fund
Sewer Modeling and Master Planning	205,000	157,576	-	47,424	Renewal & Extension Fund
HWY 129 Loop	1,500,000	19,878	-	1,480,122	SPLOST
Madison County Connection	12,875	12,875	-	-	Renewal & Extension Fund
Adella Lane Property	350	350	-	-	Renewal & Extension Fund
New Admin Building	14,663,443	359,158	-	14,304,285	Renewal & Extension Fund
Middle Oconee Lift Station Pump Replacement	68,900	68,900	-	-	Renewal & Extension Fund
2022 Ford F750 - Water	87,671	-	-	87,671	Renewal & Extension Fund
2022 Ford F750 - Sewer	40,000	-	-	40,000	Renewal & Extension Fund
Sage Intacct Implementation	32,500	31,481	-	1,019	Renewal & Extension Fund
Sage Intacct Initial Subscription	28,500	20,357	-	8,143	Renewal & Extension Fund
Talmo Backup Generator	100,000	-	-	100,000	Renewal & Extension Fund
Water System Modeling	220,000	210,417	-	9,583	Renewal & Extension Fund
Doster Creek Force Main Straightening	3,384,408	118,447	-	3,265,961	Renewal & Extension Fund
Total all projects	<u>\$ 28,290,551</u>	<u>\$ 2,907,294</u>	<u>\$ -</u>	<u>\$ 25,383,257</u>	

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Capital asset activity for the period ended December 31, 2021 was as follows:

	Beginning Balance December 31, 2020	Addition(s)	Retirements	Transfers & Adjustments	Ending Balance December 31, 2021
Business-type activities					
Non-depreciable assets:					
Land	\$ 2,904,878	\$ 50,000	\$ -	\$ 506,205	\$ 3,461,083
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Land - Park Creek Reservoir	2,000,000	-	-	-	2,000,000
Construction in progress	<u>2,766,991</u>	<u>3,717,742</u>	<u>(138,641)</u>	<u>(1,291,189)</u>	<u>5,054,903</u>
Total non-depreciable capital assets	<u>10,052,668</u>	<u>3,767,742</u>	<u>(138,641)</u>	<u>(784,984)</u>	<u>12,896,785</u>
Depreciable assets:					
Buildings	1,415,701	-	-	-	1,415,701
Water tanks	4,625,060	-	-	-	4,625,060
Booster pumps	2,365,652	-	-	-	2,365,652
Water lines	71,244,758	780,479	-	43,282	72,068,519
Meters	4,124,905	-	-	408,650	4,533,555
Vehicles	719,193	-	(14,100)	172,776	877,869
Sewer system	32,338,676	886,495	(143,314)	-	33,081,857
Machinery and equipment	2,056,472	-	(38,869)	160,276	2,177,878
Water plant capacity	<u>22,601,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,601,355</u>
Total depreciable capital assets	<u>141,491,772</u>	<u>1,666,974</u>	<u>(196,283)</u>	<u>784,984</u>	<u>143,747,446</u>
Less accumulated depreciation for:					
Buildings	(422,861)	(58,556)	-	-	(481,417)
Water tanks	(1,606,506)	(94,331)	-	-	(1,700,837)
Booster pumps	(1,079,783)	(97,257)	-	-	(1,177,040)
Water lines	(23,757,389)	(1,430,132)	-	-	(25,187,521)
Water meters	(2,698,920)	(232,707)	-	-	(2,931,627)
Vehicles	(507,639)	(105,016)	14,100	-	(598,555)
Sewer system	(6,340,073)	(717,255)	143,381	-	(6,913,947)
Machinery and equipment	(1,060,435)	(263,426)	28,318	-	(1,295,543)
Water plant capacity	<u>(6,220,447)</u>	<u>(327,858)</u>	<u>-</u>	<u>-</u>	<u>(6,548,305)</u>
Total accumulated depreciation	<u>(43,694,053)</u>	<u>(3,326,538)</u>	<u>185,799</u>	<u>-</u>	<u>(46,834,792)</u>
Total depreciable capital assets, net	<u>97,797,719</u>	<u>(1,659,564)</u>	<u>(10,484)</u>	<u>784,984</u>	<u>96,912,654</u>
Business-type capital assets, net	<u>\$ 107,850,387</u>	<u>\$ 2,108,178</u>	<u>\$ (149,125)</u>	<u>\$ -</u>	<u>\$ 109,809,439</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 6 - NOTES PAYABLE/LONG-TERM DEBT

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

	Balance <u>December 31, 2021</u>	Increase	Decrease	Balance <u>December 31, 2022</u>	Due within <u>one year</u>	Due in more than <u>one year</u>
Revenue bonds payable:						
Revenue Bonds	\$ 28,015,000	\$ -	\$ (2,625,000)	\$ 25,390,000	\$ 2,380,000	\$ 23,010,000
For issuance premiums and discounts, as restated	<u>2,989,851</u>	<u>-</u>	<u>(193,864)</u>	<u>2,795,987</u>	<u>149,785</u>	<u>2,646,202</u>
Total revenue bonds payable	<u>31,004,851</u>	<u>-</u>	<u>(2,818,864)</u>	<u>28,185,987</u>	<u>2,529,785</u>	<u>25,656,202</u>
Contracts payable:						
UOBWA contract payable	6,846,813	-	(1,029,721)	5,817,092	1,067,090	4,750,002
City of Jefferson contract payable	1,458,907	-	(83,334)	1,375,573	84,446	1,291,127
For issuance premiums and discounts, as restated	<u>645,044</u>	<u>-</u>	<u>(118,721)</u>	<u>526,323</u>	<u>105,338</u>	<u>420,985</u>
Total contracts payable	<u>8,950,764</u>	<u>-</u>	<u>(1,231,776)</u>	<u>7,718,988</u>	<u>1,256,874</u>	<u>6,462,114</u>
Net pension liability	<u>1,228,088</u>	<u>392,009</u>	<u>(237,708)</u>	<u>1,382,389</u>	<u>-</u>	<u>1,382,389</u>
Total long-term liabilities	<u>\$ 41,183,703</u>	<u>\$ 392,009</u>	<u>\$ (4,288,348)</u>	<u>\$ 37,287,364</u>	<u>\$ 3,786,659</u>	<u>\$ 33,500,705</u>

REVENUE BONDS

The Authority issues bonds where the Authority pledges income derived from the acquired or constructed assets to pay debt service.

The scheduled payments of principal and interest for all bonds payable are as follows:

December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	2,380,000	881,853	2,200,184
2024	1,375,000	825,184	2,200,184
2025	1,415,000	784,963	2,199,963
2026	1,465,000	735,675	2,200,675
2027	1,525,000	684,563	2,209,563
2028-2032	8,440,000	2,623,501	11,063,501
2033-2037	4,500,000	1,412,000	5,912,000
2038-2041	<u>4,290,000</u>	<u>437,400</u>	<u>4,727,400</u>
	<u>\$ 25,390,000</u>	<u>\$ 8,385,139</u>	<u>\$ 30,513,286</u>

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

During 2011, the Authority issued \$2,526,000 of Series 2011B revenue bonds to provide funds to fully repay the Authority’s 2002 GEFA loan. These bonds, which bear an interest rate of 2.77%, mature September 1, 2026. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The outstanding revenue bonds related to business-type activities contain a provision that if the Authority is unable to make its payment, outstanding amounts are due immediately. The Authority's outstanding revenue bond does contain a subjective acceleration clause that stipulates that upon the event of a default, the principal amount will be declared due and payable immediately. The outstanding balance on the 2011B bonds was \$975,000 at the time of refunding to the Series 2021 Bonds described below.

During 2016, the Authority issued \$6,000,000 of Series 2016 revenue bonds to provide funds to finance approved projects related to SPLOST 6 funds to be received from Jackson County which will be used for capital improvements to the water system. The outstanding revenue bonds related to business-type activities contain a provision that if the Authority is unable to make its payment, outstanding amounts are due immediately. The Authority's outstanding revenue bond does contain a subjective acceleration clause that stipulates the owner of the Bond may proceed to protect and enforce its rights by a suit or other legal action. These bonds bear an interest rate of 1.68% and mature September 1, 2023. The outstanding balance on the 2016 bonds as of December 31, 2022 was \$1,040,000.

The scheduled payments of principal and interest for the 2016 bonds payable are as follows:

December 31, 2023	Principal	Interest	Total
	\$ 1,040,000	\$ 17,472	\$ 1,057,472
	\$ 1,040,000	\$ 17,472	\$ 1,057,472

During 2018, the Authority issued \$8,670,000 of Series 2018 revenue bonds to provide funds to finance approved projects related to acquiring, constructing, and equipping certain additions, extensions and improvements to the Authority's water and sewage system. The outstanding revenue bonds related to business-type activities contain a provision that if the Authority is unable to make its payment, outstanding amounts are due immediately. The Authority's outstanding revenue bond does contain a subjective acceleration clause that stipulates that upon the event of a default, the principal amount will be declared due and payable immediately. These bonds bear an interest rate of 2.83% and mature September 1, 2032. The outstanding balance on the 2018 bonds as of December 31, 2022 was \$8,070,000.

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

The scheduled payments of principal and interest for the Series 2018 bonds payable are as follows:

December 31,	Principal	Interest	Total
2023	\$ 590,000	\$ 228,381	\$ 818,381
2024	605,000	211,684	816,684
2025	625,000	194,563	819,563
2026	640,000	176,875	816,875
2027	870,000	158,763	1,028,763
2028-2032	4,740,000	409,501	5,149,501
	<u>\$ 8,070,000</u>	<u>\$ 1,379,767</u>	<u>\$ 9,449,767</u>

During 2021, the Authority issued \$16,455,000 of Series 2021 revenue bonds to refund the Series 2011B Revenue Bonds and to provide funds to finance approved projects related to acquiring, constructing, and equipping certain additions, extensions and improvements to the Authority's water and sewage system. The outstanding revenue bonds related to business-type activities contain a provision that if the Authority is unable to make its payment, outstanding amounts are due immediately. The Authority's outstanding revenue bond does contain a subjective acceleration clause that stipulates that upon the event of a default, the principal amount will be declared due and payable immediately. These bonds bear an interest rate of 3.00% to 4.00% and mature in 2041. The outstanding balance on the 2021 bonds as of December 31, 2022 was \$16,280,000.

The scheduled payments of principal and interest for the 2021 bonds payable are as follows:

December 31,	Principal	Interest	Total
2023	\$ 750,000	\$ 636,000	\$ 1,386,000
2024	770,000	613,500	1,383,500
2025	790,000	590,400	1,380,400
2026	825,000	558,800	1,383,800
2027	655,000	525,800	1,180,800
2028-2032	3,700,000	2,214,000	5,914,000
2033-2037	4,500,000	1,412,000	5,912,000
2038-2041	4,290,000	437,400	4,727,400
	<u>\$ 16,280,000</u>	<u>\$ 6,987,900</u>	<u>\$ 23,267,900</u>

CONTRACTS PAYABLE

Upper Oconee Basin Water Authority Contract

On November 1, 1997, the Upper Oconee Basin Water Authority (the Issuer) issued \$60,770,000 of Revenue Bonds, Series 1997 (UOBWA) in order to finance the acquisition, construction and installation of a water supply reservoir and a water treatment plant (collectively the Project). These Bonds, which mature July 1, 2027, bear interest at rates from 4.25% to 5.25%. The Issuer is governed by a board composed of ten members, four of whom are the chief elected officials of the

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

member counties: Athens-Clarke, Barrow, Jackson, and Oconee Counties, whose regular terms shall be concurrent with their terms of office; four of whom are appointed by the governing authority of each Member County, whose terms shall be for one year; one who is appointed by the Upper Oconee Resource Management Commission, whose term shall be for a period of two years; and one who is appointed by the previously identified nine members of the board, whose term shall be for a period of two years.

Jackson County entered into an Intergovernmental Agreement dated July 22, 1996, with UOBWA, Barrow County, and Oconee County that requires each county to pay its proportional share of the principal and interest payments on this debt. Those shares are Barrow County 37.520%, Jackson County 41.521%, and Oconee County 20.959%. While Jackson County has the legal obligation to make these payments, it is anticipated that the payments will be financed by the sale of water by the Jackson County Water and Sewerage Authority. In the event that the funds from such sales are not sufficient to pay the principal and interest, Jackson County has the obligation to levy property taxes sufficient to make them.

In order to present the impact of this project fairly, the debt and “UOBWA Intangible Asset”, are recorded as part of the Jackson County Water & Sewerage enterprise fund even though the legal obligation belongs to Jackson County. The Water Plant Capacity intangible asset is being amortized on a straight line basis over the life of the underlying assets of the UOBWA, 100 years for the dam/reservoir and 50 years for the water treatment facility.

During 2015, the Upper Oconee Basin Water Authority issued \$12,447,996 of revenue bonds (Series 2015A and 2015B) for a full refunding of the Authority’s Series 2005 revenue bonds. The refunding was undertaken to reduce total future debt service payments. The refunding resulted in a cash flow savings of \$3,290,430. The accounting loss for the County on the refunding was approximately \$1,189,840. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the straight line method. The outstanding balance on the contract as of December 31, 2022 was \$5,817,092.

The scheduled payments of principal and interest for the Upper Oconee Basin Water Authority contract payable are as follows:

December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,067,090	\$ 271,599	\$ 1,338,689
2024	1,106,535	230,234	1,336,769
2025	1,156,360	182,173	1,338,533
2026	1,212,413	124,355	1,336,768
2027	1,274,694	63,735	1,338,429
Total	<u>\$ 5,817,092</u>	<u>\$ 872,096</u>	<u>\$ 6,689,188</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

City of Jefferson Contract

During 2016, the Authority entered into an intergovernmental agreement with the City of Jefferson for the City of Jefferson Building Authority Revenue Bonds, Series 2015. The Authority has agreed to pay twenty-five percent of the portion of the bonds related to the Park Creek Reservoir construction. These bonds, which bear interest rates from 2.00% to 4.25%, mature April 1, 2035. The outstanding balance on the contract as of December 31, 2022 was \$1,375,573.

The scheduled payments of principal and interest for the City of Jefferson contract payable are as follows:

December 31,	Principal	Interest	Total
2023	\$ 84,446	\$ 50,776	\$ 135,222
2024	86,668	48,590	135,258
2025	88,890	45,956	134,846
2026	92,223	42,778	135,001
2027	96,668	39,000	135,668
2028-2032	544,451	132,668	677,119
2033-2035	382,227	23,334	405,561
Total	\$ 1,375,573	\$ 383,102	\$ 1,758,675

Long-term liability activity for the period ended December 31, 2021, was as follows:

	Balance December 31, 2020	Increase	Decrease	Balance December 31, 2021	Due within one year	Due in more than one year
Revenue bonds payable:						
Revenue Bonds	\$ 15,244,000	\$ 16,455,000	\$ (3,684,000)	\$ 28,015,000	\$ 2,625,000	\$ 25,390,000
For issuance premiums and discounts	22,024	2,975,729	(16,210)	2,981,543	5,814	2,975,729
Total revenue bonds payable	<u>15,266,024</u>	<u>19,430,729</u>	<u>(3,700,210)</u>	<u>30,996,543</u>	<u>2,630,814</u>	<u>28,365,729</u>
Contracts payable:						
UOBWA contract payable	7,845,393	-	(998,580)	6,846,813	1,029,721	5,817,092
City of Jefferson contract payable	1,540,019	-	(81,112)	1,458,907	83,334	1,375,573
For issuance premiums and discounts	628,594	-	(136,235)	492,359	11,313	481,046
Total contracts payable	<u>10,014,006</u>	<u>-</u>	<u>(1,215,927)</u>	<u>8,798,079</u>	<u>1,124,368</u>	<u>7,673,711</u>
Net pension liability	<u>1,465,796</u>	<u>-</u>	<u>(237,708)</u>	<u>1,228,088</u>	<u>-</u>	<u>1,228,088</u>
Total long-term liabilities	<u>\$ 26,745,826</u>	<u>\$ 19,430,729</u>	<u>\$ (5,153,845)</u>	<u>\$ 41,022,710</u>	<u>\$ 3,755,182</u>	<u>\$ 37,267,528</u>

In 2022, the Authority elected to change the recognition of premiums on revenue bonds and contracts payable from the effective interest method to the straight line method. As a result, the Authority had a change in accounting estimate which reduced net position by (\$305,720) in the business-type activities during 2021 to retroactively report the change to the earliest period reported.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

PLEDGED REVENUES

Jackson County Water and Sewerage Authority has pledged future water and sewer revenues, net of specified operating expenses, to repay an original debt of \$39.7 million. This debt is payable solely from water and sewer net revenues and is payable through 2041. The total principal and interest remaining to be paid as of December 31, 2022 is \$32.7 million. Principal and interest paid for the current year was \$2.4 million which was approximately 35.58% of net revenues. Principal and interest paid for during 2021 was \$3.1 million which was approximately 54.70% of net revenues.

NOTE 7 - LEASES

RIGHT TO USE LEASE ASSETS

The Authority implemented GASB 87, "Leases" in 2022 and as a result had a change in accounting principle in the net lease assets of \$72,659 for the business-type activities during 2021 to report retroactively the change to the earliest period reported.

Right to use lease asset activity for the Authority for the period ended December 31, 2022, was as follows:

	Balance December 31, 2021	Increase	Remeasurement	Decrease	Balance December 31, 2022
Lease assets:					
Equipment	\$ 91,655	\$ 54,644	\$ -	\$ -	\$ 146,299
Total lease assets	<u>91,655</u>	<u>54,644</u>	<u>-</u>	<u>-</u>	<u>146,299</u>
Less accumulated amortization for:					
Equipment	(18,996)	(39,916)	-	-	(58,912)
Total accumulated amortization	<u>(18,996)</u>	<u>(39,916)</u>	<u>-</u>	<u>-</u>	<u>(58,912)</u>
Total lease assets, net	<u>\$ 72,659</u>	<u>\$ 14,728</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,387</u>

Jackson County Water and Sewerage Authority is a lessee for a noncancellable leases of equipment. The Authority recognizes a lease liability and an intangible right-to-use lease asset in the proprietary fund of the Authority. The Authority recognizes all applicable lease liabilities.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right to use lease asset activity for the Authority for the period ended December 31, 2021, was as follows:

	Balance December 31, 2020	Increase	Remeasurement	Decrease	Balance December 31, 2021
Lease assets:					
Equipment	\$ -	\$ 91,655	\$ -	\$ -	\$ 91,655
Total lease assets	<u>-</u>	<u>91,655</u>	<u>-</u>	<u>-</u>	<u>91,655</u>
Less accumulated amortization for:					
Equipment	-	(18,996)	-	-	(18,996)
Total accumulated amortization	<u>-</u>	<u>(18,996)</u>	<u>-</u>	<u>-</u>	<u>(18,996)</u>
Total lease assets, net	<u>\$ -</u>	<u>\$ 72,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,659</u>

LEASE LIABILITIES

The Authority implemented GASB 87, "Leases" in 2022 and as a result had a change in accounting principle in the lease liabilities of (\$72,659) for the business-type activities during 2021 to report retroactively the change to the earliest period reported.

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

	Balance December 31, 2021	Increase	Decrease	Balance December 31, 2022	Due within one year	Due in more than one year
Lease liabilities:						
Equipment	\$ 72,447	\$ 54,644	\$ (39,754)	\$ 87,337	\$ 40,531	\$ 46,806
Total lease liabilities	<u>\$ 72,447</u>	<u>\$ 54,644</u>	<u>\$ (39,754)</u>	<u>\$ 87,337</u>	<u>\$ 40,531</u>	<u>\$ 46,806</u>

On February 4, 2021, Authority entered into a 48 month lease as Lessee for the use of Pitney Bowes - SendProC Series4. An initial lease liability was recorded in the amount of \$3,225. As of December 31, 2022, the value of the lease liability was \$1,621. The Authority is required to make quarterly fixed payments of \$204. The lease has an interest rate of 0.7270%. The equipment estimated useful life was 48 months as of the contract commencement. The net value of the right to use asset as of December 31, 2022 of \$1,687 is included with Equipment on the lease asset activities table above.

On May 12, 2021, the Authority entered into a 48 month lease as Lessee for the use of Duplicating Products - Kyocera Copiers. An initial lease liability was recorded in the amount of \$28,927. As of

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

December 31, 2022, the value of the lease liability was \$16,995. The Authority is required to make monthly fixed payments of \$614. The lease has an interest rate of 0.9560%. The equipment estimated useful life was 48 months as of the contract commencement. The net value of the right to use asset as of December 31, 2022 of \$17,095 is included with Equipment on the lease asset activities table above.

On January 1, 2021, the Authority entered into a 53 month lease as Lessee for the use of Duplicating Products - Canon Copiers. An initial lease liability was recorded in the amount of \$36,488. As of December 31, 2022, the value of the lease liability was \$20,099. Jackson County Water and Sewerage Authority, GA is required to make monthly fixed payments of \$699. The lease has an interest rate of 0.6830%. The equipment estimated useful life was 53 months as of the contract commencement. The net value of the right to use asset as of December 31, 2022 of \$20,201 is included with Equipment on the lease asset activities table above.

On January 1, 2021, the Authority entered into a 50 month lease as Lessee for the use of SOS of Atlanta, Inc - KIP660. An initial lease liability was recorded in the amount of \$23,014. As of December 31, 2022, the value of the lease liability was \$12,042. The Authority is required to make monthly fixed payments of \$467. The lease has an interest rate of 0.6830%. The equipment estimated useful life was 50 months as of the contract commencement. The Authority has the option to purchase the Equipment for \$1. The net value of the right to use asset as of December 31, 2022 of \$11,975 is included with Equipment on the lease asset activities table above.

On January 1, 2022, the Authority entered into a 36 month lease as Lessee for the use of Iron Grid Networks Monitoring equipment. An initial lease liability was recorded in the amount of \$54,644. As of December 31, 2022, the value of the lease liability was \$36,580. The Authority is required to make monthly fixed payments of \$1,540. The lease has an interest rate of 0.9950%. The equipment estimated useful life was 36 months as of the contract commencement. The net value of the right to use asset as of December 31, 2022 of \$36,429 is included with Equipment on the lease asset activities table above.

The future minimum lease obligations and the net present value of these minimum lease payments for the period ended December 31, 2022 are as follows:

<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 40,056	\$ 598	\$ 40,654
2024	40,408	246	40,654
2025	6,873	12	6,885
Total	<u>\$ 87,337</u>	<u>\$ 856</u>	<u>\$ 88,193</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Long-term lease liability activity for the period ended December 31, 2021, was as follows:

	Balance December 31, 2020	Increase	Decrease	Balance December 31, 2021	Due within one year	Due in more than one year
Lease liabilities:						
Equipment	\$ -	\$ 91,655	\$ (19,208)	\$ 72,447	\$ 22,174	\$ 50,273
Total lease liabilities	\$ -	\$ 91,655	\$ (19,208)	\$ 72,447	\$ 22,174	\$ 50,273

NOTE 8 - UNEARNED REVENUE

Unearned revenue reported by the Authority at December 31, 2022 and 2021 is \$4,206,315 and \$4,031,292, respectively. Prior to December 31, 2016, unearned revenue represented sewer tap fees received in advance of providing the service to customers. This revenue was recognized when customers become active on the Authority's sewer system. As of January 1, 2017, sewer taps are paid at the time of connection to the system and are no longer prepaid; however, the Authority continues to track the prepaid taps listing from previous years for revisions and recognition purposes of the related developments as customers are added. Development in Jackson County has experienced a rebound from the most recent recession. As development continues, the Authority anticipates that the remaining deferred revenue will be recognized as earned. As of December 31, 2022, 71.96% of the deferred revenue related to prepaid sewer tap fees has been recognized.

NOTE 9 - CONTINGENCIES AND COMMITMENTS

The Authority is occasionally a defendant in various lawsuits. At December 31, 2022 and 2021, there were no outstanding suits that would have a material adverse effect on the financial condition of the Authority.

NOTE 10 - RISK FINANCING ACTIVITIES

The Authority is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority purchases worker's compensation insurance from a commercial insurance company.

The Authority contracted with American Alternative Insurance Corporation dba Glatfelter Public Practice to purchase combined automobile, crime, liability and property insurance. The deductible is determined by type of claim however \$5,000 is the maximum deductible for any claim.

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

The following is a summary of coverage at December 31, 2022 and 2021:

Umbrella excess liability protection	\$	4,000,000	per occurrence/aggregate
General liability	\$	3,000,000	aggregate
Products and completed work	\$	3,000,000	aggregate
Personal injury	\$	1,000,000	per person
Automobile liability	\$	1,000,000	per occurrence
Public entity officials and management liability	\$	3,000,000	aggregate
Failure to supply	\$	1,000,000	per occurrence
Sewer backup and premises damage	\$	1,000,000	per occurrence
Cyber liability	\$	1,000,000	per occurrence

The Authority has no outstanding claims in excess of coverage for which a liability should be recorded as of December 31, 2022 and 2021.

Settled claims in the past three years have not exceeded the coverages.

NOTE 11 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

Plan Description

The Authority's defined benefit pension plan, Jackson County Water and Sewerage Authority Retirement Plan (the Plan), provides retirement and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system administered by the Georgia Municipal Association (GMA). GMEBS acts as a common investment and administrative agent for participating cities in Georgia. The Georgia Constitution enables the governing authority of the Authority, the Board, to establish, and amend from time-to-time, the contribution rates for the Authority and its plan participants. The Plan issues a stand-alone report. This report may be obtained from: Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

The GMA, in its role as Plan Sponsor, has the sole authority to amend the provisions of the GMEBS Plan. The Authority has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan.

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

Participant counts as of the most recent actuarial valuation date and covered compensation (based on covered earnings for the preceding year) are shown below:

	Valuation Date	
	July 1, 2022	July 1, 2021
Retirees, beneficiaries and disables receiving benefits	4	2
Terminated plan participants entitled to but not yet receiving benefits	4	4
Active employees participating in the Plan	35	35
Total number of Plan participants	<u>43</u>	<u>41</u>
Covered compensation for active participants	\$ 2,406,943	\$ 2,409,615
Contributions as a percentage of covered payroll	8.48%	8.25%

Funding Policy

The Authority is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. Authority employees are not required to contribute to the Plan. The annual Authority contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20.

Net Pension Liability

The Authority's net pension liability was measured as of March 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022.

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

Inflation	2.25%
Salary Increases	3.00-8.50%, including inflation
Investment rate of return	7.375%

Mortality rates were based on the Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

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

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The 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 equity	45%	6.55%
International equity	20	7.30%
Real estate	10	3.65%
Global fixed income	5	0.50%
Domestic fixed income	20	0.40%
TOTAL	<u>100%</u>	

* Rates shown are net of inflation

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

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Current Year Change in the Net Pension Liability

	Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	\$ 2,220,269	\$ 992,181	\$ 1,228,088
Changes for the year:			
Service cost	88,260	-	88,260
Interest	168,442	-	168,442
Difference between expected and actual experience	174,913	-	174,913
Contribution-employer	-	215,594	(215,594)
Net investment income	-	66,179	(66,179)
Benefit payments	(49,129)	(49,129)	-
Administrative expense	-	(4,459)	4,459
Other charges	-	-	-
Net changes	<u>382,486</u>	<u>228,185</u>	<u>154,301</u>
Balances at December 31, 2022*	<u>\$ 2,602,755</u>	<u>\$ 1,220,366</u>	<u>\$ 1,382,389</u>

* measurement date March 31, 2022

The following presents the Authority's net pension liability calculated using the discount rate of 7.375%, 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 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1 % Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Authority's net pension liability	<u>\$ 1,780,049</u>	<u>\$ 1,382,389</u>	<u>\$ 1,054,626</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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

For the year ended December 31, 2022, the Authority recognized pension expense of \$200,646. At December 31, 2022, the Authority reported the following deferred outflows of resources and deferred inflows of resources related to pensions:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 373,494	\$ -
Changes of assumptions	-	(38,886)
Net difference between projected and actual earnings on pension plan investments	-	(101,259)
Changes in proportion and differences between Authority contributions and proportionate share of contributions	-	-
Authority contributions subsequent to the measurement date	215,956	-
TOTAL	<u>\$ 589,450</u>	<u>\$ (140,145)</u>

Authority contributions subsequent to the measurement date of \$215,956 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year December 31, 2023.

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

Year Ended December 31,	
2023	\$ 28,968
2024	\$ 25,191
2025	\$ 7,729
2026	\$ 57,841
2027	\$ 56,243
Thereafter	\$ 57,377

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

Prior Year Change in the Net Pension Liability

	Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2020	\$ 2,025,684	\$ 559,888	\$ 1,465,796
Changes for the year:			
Service cost	87,646	-	87,646
Interest	154,670	-	154,670
Difference between expected and actual experience	(15,523)	-	(15,523)
Contribution-employer	-	171,570	(171,570)
Net investment income	-	296,847	(296,847)
Benefit payments	(32,208)	(32,208)	-
Administrative expense	-	(3,916)	3,916
Other charges	-	-	-
Net changes	<u>194,585</u>	<u>432,293</u>	<u>(237,708)</u>
Balances at December 31, 2021*	<u>\$ 2,220,269</u>	<u>\$ 992,181</u>	<u>\$ 1,228,088</u>

* measurement date March 31, 2021

The following presents the Authority's net pension liability calculated using the discount rate of 7.375%, 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 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1 % Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Authority's net pension liability	<u>\$ 1,567,798</u>	<u>\$ 1,228,088</u>	<u>\$ 946,940</u>

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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

For the year ended December 31, 2021, the Authority recognized pension expense of \$200,646. At December 31, 2021, the Authority reported the following deferred outflows of resources and deferred inflows of resources related to pensions:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 260,110	\$ -
Changes of assumptions	-	(45,167)
Net difference between projected and actual earnings on pension plan investments	-	(143,227)
Changes in proportion and differences between Authority contributions and proportionate share of contributions	-	-
Authority contributions subsequent to the measurement date	215,594	-
TOTAL	<u><u>\$ 475,704</u></u>	<u><u>\$ (188,394)</u></u>

Authority contributions subsequent to the measurement date of \$215,956 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year December 31, 2022.

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

Year Ended December 31,	
2022	\$ 1,791
2023	\$ 4,510
2024	\$ 733
2025	\$ (16,729)
2026	\$ 33,383
Thereafter	\$ 48,028

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

DEFINED CONTRIBUTION PENSION PLAN

Effective May 14, 2009, the Authority, by resolution, adopted the ICMA 401a Money Purchase Plan, which operates in conjunction with the Deferred Compensation Plan discussed in NOTE 11. The Authority has the ability to amend the adoption agreement to change the contribution requirements and other matters related to the plan. The plan issues a stand alone report, it may be obtained from: ICMA Retirement Corporation, 777 North Capitol Street, NE, Washington D.C., 20002.

Employees hired after January 1, 2002 must complete one year of service to be eligible. The Authority contribution for various levels of employee contributions are listed below:

<u>Employee Contribution</u>	<u>Authority Contribution</u>	<u>Employee Contribution</u>	<u>Authority Contribution</u>
- %	4.0 %	4.0 %	6.0 %
1.0 %	4.5 %	5.0 %	6.5 %
2.0 %	5.0 %	6.0 %	7.0 %
3.0 %	5.5 %		

The employee contributions as of December 31, 2022 and 2021 were \$129,990 and \$121,554, respectively. The Authority matching contributions as of December 31, 2022 and 2021 were \$145,365 and \$140,773, respectively.

NOTE 12 - DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Authority employees, 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. Because the assets are held in trust for the employees, they are not assets of the Authority and are not reported in these financial statements.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 13 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. The following estimates qualified as significant, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for allowance for doubtful accounts relating to trade receivables qualifies as a significant estimate. The estimate is calculated based on the previous year's collection percentage of accounts greater than 30 days old.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets depreciated over the estimated useful lives using the straight line method.

The amount reported as the estimated amounts for the net pension liability and Authority contributions subsequent to the measurement date qualify as significant estimates and are based on actuarial studies and projections.

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY -
JCWSA RETIREMENT PLAN
For the Year Ended December 31, 2022
“Unaudited”**

<u>For the Year Ended December 31,</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net pension liability	\$ 1,382,389	\$ 1,228,088	\$ 1,465,796	\$ 1,040,521	\$ 1,188,847	\$ 849,476
Covered payroll	\$ 2,406,943	\$ 2,409,615	\$ 2,234,157	\$ 1,505,128	\$ 1,106,534	\$ 1,171,884
Net pension liability as a percentage of its covered payroll	57.43%	50.97%	65.61%	69.13%	107.44%	8.48%
Plan fiduciary net position as a percentage of the total pension liability	46.89%	44.69%	27.64%	37.63%	20.28%	24.90%

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

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS -
JCWSA RETIREMENT PLAN
For the Year Ended December 31, 2022
"Unaudited"**

<u>For the Year Ended December 31,</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 224,333	\$ 215,594	\$ 171,570	\$ 190,405	\$ 135,901	\$ 134,354
Contributions in relation to the contractually required contribution	224,333	215,594	171,570	190,405	135,901	134,354
Contribution deficiency (excess)	<u>\$ -</u>					
Authority's covered payroll	\$ 2,646,285	\$ 2,614,006	\$ 2,307,785	\$ 2,275,779	\$ 1,979,930	\$ 2,047,229
Contributions as a percentage of covered payroll	8.48%	8.25%	7.43%	8.37%	6.86%	6.56%

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

**JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
 JCWSA RETIREMENT PLAN
 For the Year Ended December 31, 2022
 "Unaudited"**

Method and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of March 31, 2022. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended December 31, 2022 reported in that schedule:

Valuation Date	July 1, 2022
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed Level Dollar for remaining unfunded liability
Remaining Amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 17 years
Asset Valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Investment rate of return	7.375%
Salary Increases	2.25% plus service based merit increases
Cost of Living Adjustments	0.00%

STATISTICAL SECTION

This part of Jackson County Water and Sewer Authority's comprehensive annual 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 overall financial health.

Contents	Table
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Net Position by Component	1
Changes in Net Position	2
Statement of Net Position	2A
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source.</i>	
Operating Revenues by Sources	3
Operating Expenses by Function	4
Non-operating Revenues and Expenses	5
Annual Capital Contributions by Source	6
Usage and Billing Schedule	7
Annual Tap Sales	8
Number of Water Customers by Type	9
Number of Sewer Customers by Type	9A
Water and Sewer Rates - 3 tier system - 2013	10
Water and Sewer Rates - 3 tier system - 2014	10A
Water and Sewer Rates - 3 tier system - 2015	10B
Water and Sewer Rates - 3 tier system - 2016	10C
Water and Sewer Rates - 3 tier system - 2017	10D
Water and Sewer Rates - 3 tier system - 2018	10E
Water and Sewer Rates - 3 tier system - 2019	10F
Water and Sewer Rates - 3 tier system - 2020	10G
Water and Sewer Rates - 3 tier system - 2021	10H
Water and Sewer Rates - 3 tier system - 2022	10I
Connection Fees	11
Miscellaneous Charges	12
Principal Water Customers	13
Principal Sewer Customers	13A
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Ratios of Outstanding Debt by Type	14
Pledged Revenue Coverage	15
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Demographic and Economic Statistics	16
Principal Employers	17
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	
Schedule of Number of Employees	18
Operating and Capital Indicators	19
Performance Measures - System Statistics	20
Bear Creek Cost by Component	21
Historical Water System Demand	22
Historical Sewer System Demand	22A
Water and Sewer Map	23
Operating Budget Summary	24

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

**Jackson County Water & Sewerage Authority
Net Position by Component**

Last Ten Fiscal Years

Table 1
(amounts expressed in thousands)

	2022	2021 (1)	2020	2019	2018	2017	2016	2015	2014	2013
Primary government										
Net investment in capital assets	\$ 91,235	\$ 87,812	\$ 84,767	\$ 82,459	\$ 66,840	\$ 77,200	\$ 73,107	\$ 71,558	\$ 70,073	\$ 68,752
Restricted	4,706	5,722	5,002	3,656	15,240	820	793	816	805	1,133
Unrestricted	6,681	1,222	(1,810)	(3,320)	(5,880)	(4,771)	(2,817)	(1,785)	(3,746)	(4,303)
Total primary government net position	<u>\$ 102,622</u>	<u>\$ 94,756</u>	<u>\$ 87,959</u>	<u>\$ 82,795</u>	<u>\$ 76,200</u>	<u>\$ 73,248</u>	<u>\$ 71,083</u>	<u>\$ 70,589</u>	<u>\$ 67,132</u>	<u>\$ 65,582</u>

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Changes in Net Position**

Last Ten Fiscal Years

Table 2
(amounts expressed in thousands)

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income/(Loss)	Total Nonoperating Revenues/ (Expenses)	Income/(Loss) before Capital Contributions	Capital Contributions	Change In Net Position
2013	\$ 6,340	\$ 6,775	\$ (435)	\$ (1,286)	\$ (1,721)	\$ 2,799	\$ 1,078
2014	\$ 7,493	\$ 6,643	\$ 850	\$ (1,205)	\$ (355)	\$ 1,905	\$ 1,550
2015	\$ 8,107	\$ 6,954	\$ 1,153	\$ (1,033)	\$ 119	\$ 3,339	\$ 3,458
2016	\$ 9,499	\$ 7,940	\$ 1,559	\$ (1,075)	\$ 484	\$ 1,004	\$ 1,488
2017	\$ 9,487	\$ 8,973	\$ 513	\$ (1,003)	\$ (490)	\$ 1,750	\$ 1,260
2018	\$ 10,265	\$ 9,294	\$ 971	\$ (841)	\$ 131	\$ 3,105	\$ 3,236
2019	\$ 11,256	\$ 9,989	\$ 1,268	\$ (808)	\$ 459	\$ 6,136	\$ 6,595
2020	\$ 11,635	\$ 10,470	\$ 1,165	\$ (1,010)	\$ 155	\$ 5,009	\$ 5,164
2021 (1)	\$ 13,924	\$ 11,584	\$ 2,340	\$ (823)	\$ 1,517	\$ 5,517	\$ 7,034
2022	\$ 15,084	\$ 11,962	\$ 3,122	\$ (807)	\$ 2,315	\$ 5,551	\$ 7,866

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

Jackson County Water & Sewerage Authority
Statement of Net Position
Last Ten Fiscal Years

Table 2A
(amounts expressed in thousands)

Assets:	2013	2014	2015	2016	2017	2018	2019	2020	2021 (1)	2022
Cash, unrestricted	\$ 3,813	\$ 3,835	\$ 4,465	\$ 4,508	\$ 3,344	\$ 1,718	\$ 2,500	\$ 3,053	\$ 5,837	\$ 11,004
Cash, restricted	1,336	993	988	6,789	6,467	15,121	9,565	6,625	23,987	22,997
Receivables – sales tax	-	-	-	-	-	-	396	464	-	-
Receivables – other governments/interfund	52	15	9	11	12	430	16	15	20	51
Receivables – trade, net	474	738	801	866	1,120	582	448	620	513	649
Miscellaneous receivables	-	-	-	-	-	258	322	133	310	512
Unbilled revenue	341	381	411	312	337	353	491	515	548	739
Inventory	98	111	189	225	180	211	202	239	493	533
Prepaid expenses	84	84	95	87	76	170	181	208	217	344
Loan fees, net	-	-	-	-	-	-	-	-	-	-
Bonds issuance cost, net	-	-	-	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-	-	-	-
Capital Assets, net	98,702	98,040	97,052	98,144	98,624	99,496	105,643	107,850	109,809	109,171
Subsidized loan receivable	87	73	59	-	-	-	-	-	-	-
Lease assets, net of accumulated amortization	-	-	-	-	-	-	-	-	73	87
Total Assets	104,987	104,271	104,070	110,942	110,160	118,339	119,765	119,723	141,807	146,087
Deferred Outflows of resources:										
Deferred charge on refunding	525	422	1,405	1,136	891	675	493	347	238	162
Pension Expense	-	-	-	-	-	322	171	595	475	373
Total Deferred Outflows of Resources	525	422	1,405	1,136	891	997	664	942	713	535
Liabilities:										
Accounts payable	275	267	436	319	875	612	1,266	458	733	578
Accrued Expenses	126	138	242	283	132	107	102	161	966	1,004
Accrued Interest	203	188	171	191	169	222	192	160	382	443
Due to other governments	-	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	2,296	2,372	2,598	2,712	3,745	3,847	3,927	3,941	4,073	3,827
Customer Deposits	92	98	95	109	150	162	189	184	209	253
Unearned Revenue	8,360	8,360	8,388	8,388	8,388	7,767	5,602	4,912	4,031	4,207
Long-Term Debt	13,326	11,819	10,262	14,734	12,013	18,001	15,273	12,541	28,096	25,656
Upper Oconee Basin Water Authority contract	14,715	13,850	12,693	13,395	12,374	11,206	10,014	8,798	7,809	6,462
Capital leases payable, short-term	-	-	-	-	-	-	-	-	-	-
Capital leases payable, long-term	-	-	-	-	-	-	-	-	-	-
Notes payable, short-term	-	-	-	-	-	-	-	-	-	-
Net pension liability	-	-	-	865	849	1,189	1,041	1,466	1,228	1,382
Lease liabilities	-	-	-	-	-	-	-	-	50	47
Total Liabilities	39,393	37,092	34,885	40,995	38,695	43,113	37,606	32,622	47,577	43,860
Deferred Inflows of resources:										
Deferred credit for refunding	536	469	-	-	13	22	28	84	188	140
Total Deferred Inflows of Resources	536	469	-	-	13	22	28	84	188	140
Net Position:										
Prior period adjustment	-	-	-	-	-	-	-	-	-	-
Net investment in capital assets	68,752	70,073	71,558	73,107	77,200	79,577	82,459	84,767	87,812	91,235
Restricted net position	1,133	805	817	793	820	2,504	3,656	5,002	5,722	4,706
Unrestricted net position	(4,302)	(3,746)	(1,785)	(2,817)	(5,676)	(5,880)	(3,320)	(1,810)	1,221	6,681
Total Net Position	\$ 65,583	\$ 67,132	\$ 70,590	\$ 71,084	\$ 72,343	\$ 76,201	\$ 82,795	\$ 87,959	\$ 94,755	\$ 102,622

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Operating Revenues by Sources**

Last Ten Fiscal Years

Table 3
(amounts expressed in thousands)

Fiscal Year	Water	Wastewater	Water Connection Fee	Sewer Tap Fee	Other	Intergovernmental Revenue	Total
2013	\$ 5,446	\$ 457	\$ 99			\$ 337	\$ 6,340
2014	\$ 6,433	\$ 575	\$ 336			\$ 149	\$ 7,493
2015	\$ 6,964	\$ 725	\$ 389			\$ 27	\$ 8,104
2016	\$ 7,690	\$ 857	\$ 945			\$ -	\$ 9,492
2017	\$ 7,495	\$ 961	\$ 940	\$ 86	\$ 3	\$ -	\$ 9,487
2018	\$ 7,712	\$ 1,093	\$ 1,116	\$ 940	\$ 29	\$ -	\$ 10,890
2019	\$ 8,167	\$ 1,301	\$ 1,585	\$ 164	\$ 39	\$ -	\$ 11,256
2020	\$ 8,461	\$ 1,517	\$ 1,494	\$ 131	\$ 32	\$ -	\$ 11,635
2021 (1)	\$ 8,818	\$ 1,917	\$ 2,490	\$ 584	\$ 115	\$ -	\$ 13,924
2022	\$ 10,132	\$ 2,452	\$ 1,578	\$ 847	\$ 75	\$ -	\$ 15,084

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Operating Expenses by Function**

Last Ten Fiscal Years

Table 4
(amounts expressed in thousands)

Fiscal Year	Water	Administration	Depreciation	Total
2013	\$ 2,756	\$ 1,433	\$ 2,587	\$ 6,775
2014	\$ 2,478	\$ 1,580	\$ 2,584	\$ 6,643
2015	\$ 2,472	\$ 1,819	\$ 2,664	\$ 6,954
2016	\$ 3,213	\$ 2,016	\$ 2,710	\$ 7,940
2017	\$ 3,664	\$ 2,593	\$ 2,717	\$ 8,973
2018	\$ 3,587	\$ 2,924	\$ 2,783	\$ 9,294
2019	\$ 3,838	\$ 3,247	\$ 2,903	\$ 9,989
2020	\$ 4,065	\$ 3,371	\$ 3,035	\$ 10,470
2021 (1)	\$ 4,523	\$ 3,735	\$ 3,326	\$ 11,584
2022	\$ 4,457	\$ 4,007	\$ 3,498	\$ 11,962

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated.

**Jackson County Water & Sewerage Authority
Non-operating Revenues and Expenses**

Last Ten Fiscal Years

**Table 5
(amounts expressed in thousands)**

Fiscal Year	Interest and Fiscal Charges	Interest Revenue	Gain/(Loss) on Disposal of Capital Assets	Other Revenues or (Expenses)	Total Nonoperating Revenue or (Expenses)
2013	\$ (1,373)	\$ 18	\$ -	\$ 70	\$ (1,286)
2014	\$ (1,269)	\$ 16	\$ 19	\$ 28	\$ (1,205)
2015	\$ (1,048)	\$ 10	\$ 19	\$ (15)	\$ (1,033)
2016	\$ (1,087)	\$ 4	\$ 3	\$ 4	\$ (1,075)
2017	\$ (1,015)	\$ 8	\$ (1)	\$ 5	\$ (1,003)
2018	\$ (1,019)	\$ 211	\$ (104)	\$ 72	\$ (841)
2019	\$ (1,050)	\$ 206	\$ 37	\$ -	\$ (808)
2020	\$ (898)	\$ 45	\$ (158)	\$ -	\$ (1,010)
2021 (1)	\$ (937)	\$ 25	\$ 89	\$ -	\$ (823)
2022	\$ (1,071)	\$ 237	\$ 27	\$ -	\$ (807)

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Annual Capital Contributions by Source**

Last Ten Fiscal Years

Table 6
(amounts expressed in thousands)

Fiscal Year	Special Purpose Local Option Sales Tax	Developer Lines	Tap Fees In Excess of Cost	Other	Total Capital Contributions
2013	\$ -	\$ 683	\$ 136	\$ 1,980	\$ 2,799
2014	\$ -	\$ 19	\$ -	\$ 1,886	\$ 1,905
2015	\$ -	\$ -	\$ 174	\$ 830	\$ 1,004
2016	\$ -	\$ 331	\$ 5	\$ 669	\$ 3,339
2017	\$ 946	\$ -	\$ 135	\$ 668	\$ 1,750
2018	\$ 1,973	\$ 506	\$ 105	\$ 522	\$ 3,105
2019	\$ 2,170	\$ 415	\$ 2,960	\$ 590	\$ 6,136
2020	\$ 2,462	\$ 1,250	\$ 1,297	\$ -	\$ 5,009
2021 (1)	\$ 642	\$ 1,717	\$ 3,158	\$ -	\$ 5,517
2022	\$ 846	\$ 939	\$ 3,716	\$ 50	\$ 5,551

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Usage and Billing Schedule**

Last Ten Fiscal Years

Table 7

Fiscal Year	Gallons of Water Purchased (in millions)	Gallons of Water Billed (in millions)	Gallons of Water Unbilled (in millions)	Average Percent Unbilled	Gallons of Wastewater Treated (in millions)
2013	781.9	698.1	83.8	12.00%	71.00
2014	1009.0	919.6	89.5	9.02%	48.98
2015	1,027.5	857.0	170.5	17.45%	72.86
2016	1,122.5	951.7	170.9	15.22%	79.83
2017	1,181.9	913.5	268.4	22.71%	121.33
2018	1,206.5	955.2	251.3	20.50%	186.30
2019	1,326.0	1,042.8	283.2	21.36%	205.20
2020	1,418.0	1,070.0	348.0	24.53%	193.88
2021	1,440.5	1,110.9	329.6	22.88%	214.80
2022	1,496.6	1,214.9	281.7	18.82%	241.09
TOTAL	<u>12,743.70</u>	<u>10,341.35</u>	<u>2,402.47</u>	<u>18.85%</u>	<u>1,486.77</u>
Ten Year Average Totals	1,201.04	973.37	227.69	18.96%	143.53

Data Sources: JCWSA Billing records, Upper Oconee Daily Usage Readings, JCWSA Engineering Departments, and Wastewater Operations Manager.

**Jackson County Water & Sewerage Authority
Annual Tap Sales**

Last Ten Fiscal Years

Table 8
(dollar amounts expressed in thousands)

Fiscal Year	Number of Water Taps Sold	Water Tap Fees Received	Number of Sewer Taps (ERUs) Sold	Sewer Tap Fees Received
2013	78	\$ 235	1.4	\$ 7
2014	260	\$ 336	0.0	\$ -
2015	231	\$ 562	5.5	\$ 28
2016	525	\$ 950	0.4	\$ 2
2017	497	\$ 940	44.3	\$ 222
2018	457	\$ 1,151	78.0	\$ 319
2019	614	\$ 2,133	79.0	\$ 412
2020	592	\$ 1,915	61.0	\$ 317
2021	837	\$ 3,402	211.0	\$ 1,482
2022	499	\$ 2,667	278.0	\$ 2,674

Data Sources: JCWSA billing records, financial records, and Engineering Department.

**Jackson County Water & Sewerage Authority
Number of Water Customers by Type**

Last Ten Fiscal Years

Table 9

<u>Year</u>	<u>Residential Customers</u>	<u>Commercial Customers</u>
2013	7,366	66
2014	7,487	155
2015	7,679	157
2016	8,063	232
2017	8,379	513
2018	8,859	460
2019	9,462	482
2020	9,947	502
2021	10,681	541
2022	11,253	579

Data Source: JCWSA billing records

Note: The number of non-residential customers increased after a re-classification of customers project was completed in 2017.

**Jackson County Water & Sewerage Authority
Number of Sewer Customers by Type**

Last Ten Fiscal Years

Table 9A

<u>Year</u>	<u>Residential Customers</u>	<u>Commercial Customers</u>
2014	850	23
2015	892	22
2016	1,022	22
2017	1,208	22
2018	1,454	19
2019	1,980	44
2020	2,300	46
2021	2,983	76
2022	3,350	117

Data Source: JCWSA billing records

Note: This information is not available before 2014.

**Jackson County Water & Sewerage Authority
2013 Rate Schedule**

Table 10

JCWSA 2013 Rate Schedule

JCWSA CONSERVATION RATES	BASE	TIER 1 1,501 - 5,700	MIN	TIER #2 5,701 - 7,500	TIER #3 OVER 7,500
WATER W-1 + W-1 GF	19.00	5.75	1,500	8.75	11.50
IRRIGATION	BASE	TIER 1 1,501 - 5,700	MIN	TIER #2 5,701 - 7,500	TIER #3 OVER 7,500
TRADITIONS/HERITAGE PT/SOP/VILLAGE OF PENDERGRASS/BRASELTON FARMS/ CHARLOTTE ESTATES IRRIGATION *	7.25	5.75	1,000	8.75	11.50
IRRIGATION 1"	22.00	5.75	1,500	8.75	11.50
IRRIGATION 1.5"	30.00	5.75	1,500	8.75	11.50
IRRIGATION 2"	42.00	5.75	1,500	8.75	11.50
LARGE METERS\$	BASE	TIER 1 1,501 - 35,000	MIN	TIER #2 35,001 - 291,000	TIER #3 OVER 291,000
WATER 2"	84.00	6.90	1,500	10.50	13.80
LARGE METERS \$ [3" - 4" - 6"]	BASE	TIER 1 1,501 - 100,000	MIN	TIER #2 100,001 - 500,000	TIER #3 OVER 500,000
WATER 3"	210.00	6.90	1,500	10.50	13.80
WATER 4"	288.00	6.90	1,500	10.50	13.80
WATER 6"	492.00	6.90	1,500	10.50	13.80
SMALL METERS\$	BASE	TIER 1 1,501 - 14,000	MIN	TIER #2 14,001 - 50,000	TIER #3 OVER 50,000
WATER 1"	30.00	6.90	1,500	10.50	13.80
SMALL METERS\$	BASE	TIER 1 1,501 - 31,000	MIN	TIER #2 31,001 - 82,000	TIER #3 OVER 82,000
WATER 1.5"	42.00	6.90	1,500	10.50	13.80
FIRELINES & HYDRANTS	BASE	TIER 1 1,501 - 31,000	MIN	TIER #2 31,001 - 82,000	TIER #3 OVER 82,000
FIRELINE 3"	210.00	6.90	1,500	10.50	13.80
FIRELINE 8"	624.00	6.90	1,500	10.50	13.80
FIRELINE 10"	762.00	6.90	1,500	10.50	13.80
UNMETERED FIRELINE 4	288.00				
UNMETERED FIRELINE 6	492.00				
UNMETERED FIRELINE 8	624.00				
UNMETERED FIRELINE 10	762.00				
HYDRANT - LARGE	30.00	6.90	1,500	10.50	13.80
HYDRANT - SMALL	19.00	6.90	1,500	10.50	13.80
W1 - COMMERCIAL - 5/8 & 3/4	BASE	TIER 1 1,501 - 14,600	MIN	TIER #2 14,601 - 60,000	TIER #3 OVER 60,000
W1 - COMMERCIAL	22.00	6.90	1,500	10.50	13.80

JCWSA CONSERVATION RATES	BASE	TIER 1	MIN
Sewer	18.00	7.80	1,500

*The Tier 1 rate consumption allowance will be 1,001 - 5,700 for this customer class.

All rates are calculated per 1,000 gallons.

Jackson County Water & Sewerage Authority 2014 Rate Schedule

Table 10A

JCWSA CONSERVATION RATES	BASE	TIER 1 1,501 - 5,700	MIN*	TIER #2 5,701 - 7,500	TIER #3 OVER 7,500
WATER W-1 + W-1 GF	19.00	5.75	1,500	8.75	11.50
IRRIGATION	BASE	TIER 1 1,501 - 5,700	MIN	TIER #2 5,701 - 7,500	TIER #3 OVER 7,500
TRADITIONS/HERITAGE IRRIGATION 1"	7.25	5.75	1,000	8.75	11.50
IRRIGATION 1.5"	22.00	5.75	1,500	8.75	11.50
IRRIGATION 1.5"	30.00	5.75	1,500	8.75	11.50
IRRIGATION 2"	42.00	5.75	1,500	8.75	11.50
LARGE METERS	BASE	TIER 1 1,501 - 35,000	MIN	TIER #2 35,001 - 291,000	TIER #3 OVER 291,000
WATER 2"	84.00	6.90	1,500	10.50	13.80
LARGE METERS [3" - 4" - 6"]	BASE	TIER 1 1,501 - 100,000	MIN	TIER #2 100,001 - 500,000	TIER #3 OVER 500,000
WATER 3"	210.00	6.90	1,500	10.50	13.80
WATER 4"	288.00	6.90	1,500	10.50	13.80
WATER 6"	492.00	6.90	1,500	10.50	13.80
SMALL METERS	BASE	TIER 1 1,501 - 14,000	MIN	TIER #2 14,001 - 50,000	TIER #3 OVER 50,000
WATER 1"	30.00	6.90	1,500	10.50	13.80
SMALL METERS	BASE	TIER 1 1,501 - 31,000	MIN	TIER #2 31,001 - 82,000	TIER #3 OVER 82,000
WATER 1.5"	42.00	6.90	1,500	10.50	13.80
FIRELINES & HYDRANTS	BASE	TIER 1 1,501 - 31,000	MIN	TIER #2 31,001 - 82,000	TIER #3 OVER 82,000
FIRELINE 3"	210.00	6.90	1,500	10.50	13.80
FIRELINE 8"	624.00	6.90	1,500	10.50	13.80
FIRELINE 10"	762.00	6.90	1,500	10.50	13.80
UNMETERED FIRELINE 4	288.00				
UNMETERED FIRELINE 6	492.00				
UNMETERED FIRELINE 8	624.00				
UNMETERED FIRELINE 10	762.00				
HYDRANT - LARGE	30.00	6.90	1,500		13.80
HYDRANT - SMALL	19.00	6.90	1,500	10.50	13.80
W1 - COMMERCIAL - 5/8 & 3/4	BASE	TIER 1 1,501 - 14,600	MIN	TIER #2 14,601 - 60,000	TIER #3 OVER 60,000
W1 - COMMERCIAL	22.00	6.90	1,500	10.50	13.80

Note: All rates are calculated per 1,000 gallons.

JCWSA CONSERVATION RATES	BASE	TIER 1	MIN*
SEWER	18.00	7.50	1,500

**Jackson County Water & Sewerage Authority
2015 Rate Schedule**

Table 10B

JCWSA CONVERSATION RATES	BASE	ALLOWANCE	TIER 1 1,501 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
WATER W-1 & W-1 GF	\$20.14	1,500	\$6.10	\$9.28	\$12.19

IRRIGATION	BASE	ALLOWANCE	TIER 1 1,501 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
TRADITIONS/HERITAGE PT/SOP/VILLAGE OF PENDERGRASS/BRASELTON FARMS/CHARLOTTE ESTATES IRRIGATION	\$7.69	1,000	\$6.10	\$9.28	\$12.19
IRRIGATION 1"	\$23.32	1,500	\$6.10	\$9.28	\$12.19
IRRIGATION 1.5"	\$31.80	1,500	\$6.10	\$9.28	\$12.19
IRRIGATION 2"	\$44.52	1,500	\$6.10	\$9.28	\$12.19

LARGE METERS	BASE	ALLOWANCE	TIER 1 1,501 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
WATER 2"	\$89.04	1,500	\$7.31	\$11.13	\$14.63

LARGE METERS (3"-6")	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
WATER 3"	\$222.60	1,500	\$7.31	\$11.13	\$14.63
WATER 4"	\$305.28	1,500	\$7.31	\$11.13	\$14.63
WATER 6"	\$521.52	1,500	\$7.31	\$11.13	\$14.63

SMALL METERS	BASE	ALLOWANCE	TIER 1 1,501 - 14,000	TIER 2 14,000 - 50,000	TIER 3 OVER 50,000
WATER 1"	\$31.80	1,500	\$7.31	\$11.13	\$14.63

SMALL METERS	BASE	ALLOWANCE	TIER 1 1,501 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
WATER 1.5"	\$44.52	1,500	\$7.31	\$11.13	\$14.63

FIRELINES & HYDRANTS	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
FIRELINE 3"	\$222.60	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 8"	\$661.44	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 10"	\$807.72	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 12"	\$985.42	1,500	\$7.31	\$11.13	\$14.63
HYDRANT - LARGE	\$31.80	1,500	\$7.31	\$11.13	\$14.63
HYDRANT - SMALL	\$20.14	1,500	\$7.31	\$11.13	\$14.63

W-1 COMMERCIAL (5/8" & 3/4")	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
W1 - COMMERCIAL	\$23.32	1,500	\$7.31	\$11.13	\$14.63

SEWER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500
SW - ALL CUSTOMER CLASSES	\$19.08	1,500	\$8.27

SENIOR RATES - 60 YEARS+					
WATER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500		
SNW - ALL SENIOR CUSTOMERS (RES)	\$19.00	1,500	\$6.10		

SEWER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500
SNS - ALL SENIOR CUSTOMERS (RES)	\$18.00	1,500	\$8.27

**Jackson County Water & Sewerage Authority
2016 Rate Schedule**

Table 10C

JCWSA CONVERSATION RATES	BASE	ALLOWANCE	TIER 1 1,501 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
WATER W-1 & W-1 GF	\$20.14	1,500	\$6.10	\$9.28	\$12.19

IRRIGATION	BASE	ALLOWANCE	TIER 1 1,501 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
TRADITIONS/HERITAGE PT/SOP/VILLAGE OF PENDERGRASS/BRASELTON FARMS/CHARLOTTE ESTATES IRRIGATION	\$7.69	1,000	\$6.10	\$9.28	\$12.19
IRRIGATION 1"	\$23.32	1,500	\$6.10	\$9.28	\$12.19
IRRIGATION 1.5"	\$31.80	1,500	\$6.10	\$9.28	\$12.19
IRRIGATION 2"	\$44.52	1,500	\$6.10	\$9.28	\$12.19

LARGE METERS	BASE	ALLOWANCE	TIER 1 1,501 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
WATER 2"	\$89.04	1,500	\$7.31	\$11.13	\$14.63

LARGE METERS (3"-6")	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
WATER 3"	\$222.60	1,500	\$7.31	\$11.13	\$14.63
WATER 4"	\$305.28	1,500	\$7.31	\$11.13	\$14.63
WATER 6"	\$521.52	1,500	\$7.31	\$11.13	\$14.63

SMALL METERS	BASE	ALLOWANCE	TIER 1 1,501 - 14,000	TIER 2 14,000 - 50,000	TIER 3 OVER 50,000
WATER 1"	\$31.80	1,500	\$7.31	\$11.13	\$14.63

SMALL METERS	BASE	ALLOWANCE	TIER 1 1,501 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
WATER 1.5"	\$44.52	1,500	\$7.31	\$11.13	\$14.63

FIRELINES & HYDRANTS	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
FIRELINE 3"	\$222.60	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 8"	\$661.44	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 10"	\$807.72	1,500	\$7.31	\$11.13	\$14.63
FIRELINE 12"	\$985.42	1,500	\$7.31	\$11.13	\$14.63
HYDRANT - LARGE	\$31.80	1,500	\$7.31	\$11.13	\$14.63
HYDRANT - SMALL	\$20.14	1,500	\$7.31	\$11.13	\$14.63

W-1 COMMERCIAL (5/8" & 3/4")	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
W1 - COMMERCIAL	\$23.32	1,500	\$7.31	\$11.13	\$14.63

SEWER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500
SW - ALL CUSTOMER CLASSES	\$19.08	1,500	\$8.27

SENIOR RATES - 60 YEARS+			
WATER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500
SNW - ALL SENIOR CUSTOMERS (RES)	\$19.00	1,500	\$6.10

SEWER RATES	BASE	ALLOWANCE	TIER 1 OVER 1,500
SNS - ALL SENIOR CUSTOMERS (RES)	\$18.00	1,500	\$8.27

**Jackson County Water & Sewerage Authority
2017 Rate Schedule**

Table 10D

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$12.00	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1" Metered Connection	\$15.21	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1.5" Metered Connection	\$23.78	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
2" Metered Connection	\$36.62	0	\$6.16	\$9.37	\$12.31
COMMERCIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 14,600	TIER 2 14,601 - 60,000	TIER 3 OVER 60,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 14,000	TIER 2 14,001 - 50,000	TIER 3 OVER 50,000
1" Metered Connection	\$15.21	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
1.5" Metered Connection	\$23.78	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
2" Metered Connection	\$36.62	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
3" Metered Connection	\$216.48	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
4" Metered Connection	\$299.99	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
6" Metered Connection	\$518.39	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
8" Metered Connection	\$662.74	0	\$7.38	\$11.24	\$14.78
INDUSTRIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1		
5/8" or 3/4" Metered Connection	\$12.00	0	\$10.50		
1.5" Metered Connection	\$23.78	0	\$10.50		
2" Metered Connection	\$36.62	0	\$10.50		
3" Metered Connection	\$216.48	0	\$10.50		
4" Metered Connection	\$299.99	0	\$10.50		
6" Metered Connection	\$518.39	0	\$10.50		
8" Metered Connection	\$662.74	0	\$10.50		
FIRE LINE CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.38	\$11.24	\$14.78
1" Metered Connection	\$15.21	0	\$7.38	\$11.24	\$14.78
1.5" Metered Connection	\$23.78	0	\$7.38	\$11.24	\$14.78
2" Fire line Connection	\$36.62	0	\$7.38	\$11.24	\$14.78
3" Fire line Connection	\$216.48	0	\$7.38	\$11.24	\$14.78
4" Fire line Connection	\$299.99	0	\$7.38	\$11.24	\$14.78
6" Fire line Connection	\$518.39	0	\$7.38	\$11.24	\$14.78
8" Fire line Connection	\$662.74	0	\$7.38	\$11.24	\$14.78
10" Fire line Connection	\$807.46	0	\$7.38	\$11.24	\$14.78
12" Fire line Connection	\$997.10	0	\$7.38	\$11.24	\$14.78
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$12.31		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$12.31		
IRRIGATION CUSTOMERS	BASE	ALLOWANCE	TIER 1		
5/8" or 3/4" Metered Connections	\$12.00	0	\$12.31		
1" Metered Connections	\$15.21	0	\$12.31		
1.5" Metered Connections	\$23.78	0	\$12.31		
2" Metered Connections	\$36.62	0	\$12.31		
SEWER CUSTOMERS	BASE	ALLOWANCE	TIER 1 OVER 1,500		
All Classes of sewer customers	\$19.08	1,500	\$8.27		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
All Residential Customers Only (No irrigation meters)	\$6.50	0	\$6.16	\$9.37	\$12.31
SEWER RATES	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$6.00	0	\$8.27		

**Jackson County Water & Sewerage Authority
2018 Rate Schedule**

Table 10E

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$12.00	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1" Metered Connection	\$15.21	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1.5" Metered Connection	\$23.78	0	\$6.16	\$9.37	\$12.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
2" Metered Connection	\$36.62	0	\$6.16	\$9.37	\$12.31
COMMERCIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 14,600	TIER 2 14,601 - 60,000	TIER 3 OVER 60,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 14,000	TIER 2 14,001 - 50,000	TIER 3 OVER 50,000
1" Metered Connection	\$15.21	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
1.5" Metered Connection	\$23.78	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
2" Metered Connection	\$36.62	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
3" Metered Connection	\$216.48	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
4" Metered Connection	\$299.99	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
6" Metered Connection	\$518.39	0	\$7.38	\$11.24	\$14.78
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
8" Metered Connection	\$662.74	0	\$7.38	\$11.24	\$14.78
INDUSTRIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1		
5/8" or 3/4" Metered Connection	\$12.00	0	\$10.50		
1.5" Metered Connection	\$23.78	0	\$10.50		
2" Metered Connection	\$36.62	0	\$10.50		
3" Metered Connection	\$216.48	0	\$10.50		
4" Metered Connection	\$299.99	0	\$10.50		
6" Metered Connection	\$518.39	0	\$10.50		
8" Metered Connection	\$662.74	0	\$10.50		
FIRE LINE CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.38	\$11.24	\$14.78
1" Metered Connection	\$15.21	0	\$7.38	\$11.24	\$14.78
1.5" Metered Connection	\$23.78	0	\$7.38	\$11.24	\$14.78
2" Fire line Connection	\$36.62	0	\$7.38	\$11.24	\$14.78
3" Fire line Connection	\$216.48	0	\$7.38	\$11.24	\$14.78
4" Fire line Connection	\$299.99	0	\$7.38	\$11.24	\$14.78
6" Fire line Connection	\$518.39	0	\$7.38	\$11.24	\$14.78
8" Fire line Connection	\$662.74	0	\$7.38	\$11.24	\$14.78
10" Fire line Connection	\$807.46	0	\$7.38	\$11.24	\$14.78
12" Fire line Connection	\$997.10	0	\$7.38	\$11.24	\$14.78
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$12.31		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$12.31		
IRRIGATION CUSTOMERS	BASE	ALLOWANCE	TIER 1		
5/8" or 3/4" Metered Connections	\$12.00	0	\$12.31		
1" Metered Connections	\$15.21	0	\$12.31		
1.5" Metered Connections	\$23.78	0	\$12.31		
2" Metered Connections	\$36.62	0	\$12.31		
SEWER CUSTOMERS	BASE	ALLOWANCE	TIER 1 OVER 1,500		
All Classes of sewer customers	\$19.08	1,500	\$8.27		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
All Residential Customers Only (No irrigation meters)	\$6.50	0	\$6.16	\$9.37	\$12.31
SEWER RATES	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$6.00	0	\$8.27		

**Jackson County Water & Sewerage Authority
2019 Rate Schedule**

Table 10F

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$12.00	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1" Metered Connection	\$15.21	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1.5" Metered Connection	\$23.78	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
2" Metered Connection	\$36.62	0	\$6.34	\$9.65	\$12.68
COMMERCIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 14,600	TIER 2 14,601 - 60,000	TIER 3 OVER 60,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 14,000	TIER 2 14,001 - 50,000	TIER 3 OVER 50,000
1" Metered Connection	\$15.21	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
1.5" Metered Connection	\$23.78	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
2" Metered Connection	\$36.62	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
3" Metered Connection	\$216.48	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
4" Metered Connection	\$299.99	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
6" Metered Connection	\$518.39	0	\$7.60	\$11.58	\$15.22
INDUSTRIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connection (low flow meters)	\$12.00	0	\$10.82		
1.5" Metered Connection (low flow meters)	\$23.78	0	\$10.82		
2" Metered Connection	\$36.62	0	\$10.82		
3" Metered Connection	\$216.48	0	\$10.82		
4" Metered Connection	\$299.99	0	\$10.82		
6" Metered Connection	\$518.39	0	\$10.82		
FIRE LINE CUSTOMERS	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
3" Fire line Connection	\$216.48	0	\$7.60	\$11.58	\$15.22
4" Fire line Connection	\$299.99	0	\$7.60	\$11.58	\$15.22
6" Fire line Connection	\$518.39	0	\$7.60	\$11.58	\$15.22
8" Fire line Connection	\$662.74	0	\$7.60	\$11.58	\$15.22
10" Fire line Connection	\$807.46	0	\$7.60	\$11.58	\$15.22
12" Fire line Connection	\$997.10	0	\$7.60	\$11.58	\$15.22
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$12.68		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$12.68		
IRRIGATION CUSTOMERS	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connections	\$12.00	0	\$12.68		
1" Metered Connections	\$15.21	0	\$12.68		
1.5" Metered Connections	\$23.78	0	\$12.68		
2" Metered Connections	\$36.62	0	\$12.68		
SEWER CUSTOMERS	BASE	ALLOWANCE	TIER 1 OVER 1,500		
All Classes of sewer customers	\$19.08	1,500	\$8.52		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
All Residential Customers Only (No irrigation meters)	\$6.50	0	\$6.34	\$9.65	\$12.68
SEWER RATES	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$6.00	1,500	\$8.52		

Jackson County Water & Sewerage Authority
2020 Rate Schedule

Table 10G

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$12.00	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1" Metered Connection	\$15.21	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1.5" Metered Connection	\$23.78	0	\$6.34	\$9.65	\$12.68
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
2" Metered Connection	\$36.62	0	\$6.34	\$9.65	\$12.68
COMMERCIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 14,600	TIER 2 14,601 - 60,000	TIER 3 OVER 60,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 14,000	TIER 2 14,001 - 50,000	TIER 3 OVER 50,000
1" Metered Connection	\$15.21	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
1.5" Metered Connection	\$23.78	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
2" Metered Connection	\$36.62	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
3" Metered Connection	\$216.48	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
4" Metered Connection	\$299.99	0	\$7.60	\$11.58	\$15.22
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
6" Metered Connection	\$518.39	0	\$7.60	\$11.58	\$15.22
INDUSTRIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connection (low flow meters)	\$12.00	0	\$10.82		
1.5" Metered Connection (low flow meters)	\$23.78	0	\$10.82		
2" Metered Connection	\$36.62	0	\$10.82		
3" Metered Connection	\$216.48	0	\$10.82		
4" Metered Connection	\$299.99	0	\$10.82		
6" Metered Connection	\$518.39	0	\$10.82		
FIRE LINE CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
3" Fire line Connection	\$216.48	0	\$7.60	\$11.58	\$15.22
4" Fire line Connection	\$299.99	0	\$7.60	\$11.58	\$15.22
6" Fire line Connection	\$518.39	0	\$7.60	\$11.58	\$15.22
8" Fire line Connection	\$662.74	0	\$7.60	\$11.58	\$15.22
10" Fire line Connection	\$807.46	0	\$7.60	\$11.58	\$15.22
12" Fire line Connection	\$997.10	0	\$7.60	\$11.58	\$15.22
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)					
	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$12.68		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$12.68		
IRRIGATION CUSTOMERS					
	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connections	\$12.00	0	\$12.68		
1" Metered Connections	\$15.21	0	\$12.68		
1.5" Metered Connections	\$23.78	0	\$12.68		
2" Metered Connections	\$36.62	0	\$12.68		
SEWER CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 OVER 1,500		
All Classes of sewer customers	\$19.08	1,500	\$8.52		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES					
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
All Residential Customers Only (No irrigation meters)	\$6.50	0	\$6.34	\$9.65	\$12.68
SEWER RATES					
	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$6.00	1,500	\$8.52		

**Jackson County Water & Sewerage Authority
2021 Rate Schedule**

Table 10H

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
5/8" or 3/4" Metered Connection	\$12.00	0	\$6.67	\$10.13	\$13.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1" Metered Connection	\$15.21	0	\$6.67	\$10.13	\$13.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
1.5" Metered Connection	\$23.78	0	\$6.67	\$10.13	\$13.31
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
2" Metered Connection	\$36.62	0	\$6.67	\$10.13	\$13.31
COMMERCIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 14,600	TIER 2 14,601 - 60,000	TIER 3 OVER 60,000
5/8" or 3/4" Metered Connection	\$12.00	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 14,000	TIER 2 14,001 - 50,000	TIER 3 OVER 50,000
1" Metered Connection	\$15.21	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
1.5" Metered Connection	\$23.78	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 35,000	TIER 2 35,001 - 291,000	TIER 3 OVER 291,000
2" Metered Connection	\$36.62	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
3" Metered Connection	\$216.48	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
4" Metered Connection	\$299.99	0	\$7.98	\$12.16	\$15.98
	BASE	ALLOWANCE	TIER 1 0 - 100,000	TIER 2 100,001 - 500,000	TIER 3 OVER 500,000
6" Metered Connection	\$518.39	0	\$7.98	\$12.16	\$15.98
INDUSTRIAL CUSTOMERS					
	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connection (low flow meters)	\$12.00	0	\$11.36		
1" Metered Connection (low flow meters)	\$15.21	0	\$11.36		
1.5" Metered Connection (low flow meters)	\$23.78	0	\$11.36		
2" Metered Connection	\$36.62	0	\$11.36		
3" Metered Connection	\$216.48	0	\$11.36		
4" Metered Connection	\$299.99	0	\$11.36		
6" Metered Connection	\$518.39	0	\$11.36		
FIRE LINE CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 0 - 31,000	TIER 2 31,001 - 82,000	TIER 3 OVER 82,000
3" Fire line Connection	\$216.48	0	\$7.98	\$12.16	\$15.98
4" Fire line Connection	\$299.99	0	\$7.98	\$12.16	\$15.98
6" Fire line Connection	\$518.39	0	\$7.98	\$12.16	\$15.98
8" Fire line Connection	\$662.74	0	\$7.98	\$12.16	\$15.98
10" Fire line Connection	\$807.46	0	\$7.98	\$12.16	\$15.98
12" Fire line Connection	\$997.10	0	\$7.98	\$12.16	\$15.98
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)					
	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$13.31		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$13.31		
IRRIGATION CUSTOMERS					
	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connections	\$12.00	0	\$13.31		
1" Metered Connections	\$15.21	0	\$13.31		
1.5" Metered Connections	\$23.78	0	\$13.31		
2" Metered Connections	\$36.62	0	\$13.31		
3" Metered Connections	\$216.48	0	\$13.31		
SEWER CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 OVER 1,500		
All Classes of sewer customers	\$20.88	1,500	\$9.39		
SEWER CUSTOMERS					
	BASE	ALLOWANCE	TIER 1 OVER 1,500		
Sewer Customers served by lift station	\$28.08	1,500	\$9.39		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES					
	BASE	ALLOWANCE	TIER 1 0 - 5,700	TIER 2 5,701 - 7,500	TIER 3 OVER 7,500
All Residential Customers Only (No irrigation meters)	\$6.50	0	\$6.67	\$10.13	\$13.31
SEWER RATES					
	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$7.80	1,500	\$9.39		
SEWER RATES					
	BASE	ALLOWANCE	TIER 1		
All New Sewer Customers served by lift station	\$15.00	1,500	\$9.39		

**Jackson County Water & Sewerage Authority
2022 Rate Schedule**

Table 10I

JCWSA CONSERVATION RATES					
RESIDENTIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
5/8" or 3/4" Metered Connection	\$12.00	0	0 - 5,700 \$6.67	5,701 - 7,500 \$10.13	OVER 7,500 \$13.31
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
1" Metered Connection	\$15.21	0	0 - 5,700 \$6.67	5,701 - 7,500 \$10.13	OVER 7,500 \$13.31
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
1.5" Metered Connection	\$23.78	0	0 - 5,700 \$6.67	5,701 - 7,500 \$10.13	OVER 7,500 \$13.31
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
2" Metered Connection	\$36.62	0	0 - 5,700 \$6.67	5,701 - 7,500 \$10.13	OVER 7,500 \$13.31
COMMERCIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
5/8" or 3/4" Metered Connection	\$12.00	0	0 - 14,600 \$7.98	14,601 - 60,000 \$12.16	OVER 60,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
1" Metered Connection	\$15.21	0	0 - 14,000 \$7.98	14,001 - 50,000 \$12.16	OVER 50,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
1.5" Metered Connection	\$23.78	0	0 - 31,000 \$7.98	31,001 - 82,000 \$12.16	OVER 82,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
2" Metered Connection	\$36.62	0	0 - 35,000 \$7.98	35,001 - 291,000 \$12.16	OVER 291,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
3" Metered Connection	\$216.48	0	0 - 100,000 \$7.98	100,001 - 500,000 \$12.16	OVER 500,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
4" Metered Connection	\$299.99	0	0 - 100,000 \$7.98	100,001 - 500,000 \$12.16	OVER 500,000 \$15.98
	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
6" Metered Connection	\$518.39	0	0 - 100,000 \$7.98	100,001 - 500,000 \$12.16	OVER 500,000 \$15.98
INDUSTRIAL CUSTOMERS	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connection (low flow meters)	\$12.00	0	\$11.36		
1" Metered Connection (low flow meters)	\$15.21	0	\$11.36		
1.5" Metered Connection (low flow meters)	\$23.78	0	\$11.36		
2" Metered Connection	\$36.62	0	\$11.36		
3" Metered Connection	\$216.48	0	\$11.36		
4" Metered Connection	\$299.99	0	\$11.36		
6" Metered Connection	\$518.39	0	\$11.36		
8" Metered Connection	\$862.74	0	\$11.36		
10" Metered Connection	\$807.46	0	\$11.36		
12" Metered Connection	\$997.10	0	\$11.36		
FIRE LINE CUSTOMERS	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
3" Fire line Connection	\$216.48	0	0 - 31,000 \$7.98	31,001 - 82,000 \$12.16	OVER 82,000 \$15.98
4" Fire line Connection	\$299.99	0	\$7.98	\$12.16	\$15.98
6" Fire line Connection	\$518.39	0	\$7.98	\$12.16	\$15.98
8" Fire line Connection	\$662.74	0	\$7.98	\$12.16	\$15.98
10" Fire line Connection	\$807.46	0	\$7.98	\$12.16	\$15.98
12" Fire line Connection	\$997.10	0	\$7.98	\$12.16	\$15.98
HYDRANT METER RENTALS (\$750 to \$1,500 DEPOSIT)	BASE	ALLOWANCE	TIER 1		
Small Hydrant Meter (3/4")	\$12.00	0	\$13.31		
Large Hydrant Meter (1.5" or larger)	\$36.62	0	\$13.31		
IRRIGATION CUSTOMERS	BASE	ALLOWANCE	TIER 1		
3/4" Metered Connections	\$12.00	0	\$13.31		
1" Metered Connections	\$15.21	0	\$13.31		
1.5" Metered Connections	\$23.78	0	\$13.31		
2" Metered Connections	\$36.62	0	\$13.31		
3" Metered Connections	\$216.48	0	\$13.31		
SEWER CUSTOMERS	BASE	ALLOWANCE	TIER 1		
All Classes of sewer customers	\$22.68	1,500	OVER 1,500 \$9.39		
SEWER CUSTOMERS	BASE	ALLOWANCE	TIER 1		
Sewer Customers served by lift station	\$28.08	1,500	OVER 1,500 \$9.39		
SENIOR CUSTOMERS (60 YEARS & BETTER)					
WATER RATES	BASE	ALLOWANCE	TIER 1	TIER 2	TIER 3
All Residential Customers Only (No irrigation meters)	\$6.50	0	0 - 5,700 \$6.67	5,701 - 7,500 \$10.13	OVER 7,500 \$13.31
SEWER RATES	BASE	ALLOWANCE	TIER 1		
All Residential Customers Only	\$9.60	1,500	\$9.39		
SEWER RATES	BASE	ALLOWANCE	TIER 1		
All New Sewer Customers served by lift station	\$15.00	1,500	\$9.39		

**Jackson County Water & Sewerage Authority
Water & Sewer Connection Fee Schedule**

As of December 31, 2022

Table 11

Water Connection Fees

Meter Size	Connection Fee
3/4"	\$4,000
1"	\$10,000
1.5"	\$16,000
2"	\$32,000
3"	\$64,000
4"	\$100,000
6"	\$200,000
8"	\$320,000
10"	\$840,100
12"	\$1,060,100

Fire Line Connection Fees

Meter Size	Connection Fee
2"	\$6,000
3"	\$7,500
4"	\$11,250
6"	\$15,000
8"	\$18,750
10"	\$37,500
12"	\$52,300

Sewer Connection Fees (per ERU)

Connection Fee
\$5,600

**Jackson County Water & Sewerage Authority
Miscellaneous Charges**

As of December 31, 2022

Table 12

Damage	Charges
Replacement of E-coder	\$ 200.00
Replacement of Antenna	\$ 150.00
Replacement of Meter Box	\$ 200.00 plus actual costs
Replacement of Meter Box (Ford type/upper half)	\$ 200.00 plus actual costs
Replacement of Lid	\$ 100.00
Raise/Lower Meter Box	\$ 100.00 plus actual costs
Relocate Meter Box	\$ 200.00 plus actual costs
Uncover Meter Box	\$ 100.00
Meter Reinstallation	\$ 200.00

Service Theft	Charges
Tampering Fee	\$ 250.00
Tampering Fee - 2nd Offense	\$ 500.00
Illegal Connection - Metered Connection	\$ 2,500.00
Illegal Connection - Metered Connection -2nd Offense	\$ 5,000.00
Illegal Connection - Unmetered Connection	\$ 5,000.00
Illegal Connection - Hydrant	\$ 5,000.00
Illegal Connection - Hydrant - 2nd Offense	\$ 10,000.00

Jackson County Water & Sewerage Authority
Principal Water Customers
For Current Year and Ten Years Ago

Table 13

Current Year

2022

Customer	Type of Facility	Annual Usage (in gallons)	Total Billing	Percentage of System Billing
City of Braselton	Municipality	344,816,000	899,881	8.88%
Toyota Industrial Compressor Parts	Manufacturing	23,017,860	267,704	2.64%
City of Jefferson	Municipality	60,433,408	215,153	2.12%
City of Hoschton	Municipality	63,724,890	192,517	1.90%
TD Automotive Compressor of Georgia	Manufacturing	16,601,330	192,191	1.90%
Jackson County Board of Education	School System	11,661,690	174,567	1.72%
Versa Cold	Cold Storage Facility	5,400,630	63,949	0.63%
City of Commerce	Municipality	19,959,840	57,729	0.57%
Commerce MHC LLC	Mobile Home Park	4,120,500	47,769	0.47%
Georgia Power	Power Plant	2,907,130	39,188	0.39%
TOTALS		552,643,278	2,150,649	21.23%

Ten Years Ago

2013

Customer	Type of Facility	Annual Usage (in gallons)	Total Billing	Percentage of System Billing
Georgia Power ¹	Power Plant	1,255,070	535,728	9.84%
City of Braselton	Municipality	157,594,000	407,597	7.48%
TD Auto Compressor of Georgia	Automotive	17,341,465	218,411	4.01%
City of Hoschton	Municipality	40,623,700	117,064	2.15%
Wayne Farms	Poultry Plant	7,918,200	98,259	1.80%
Jackson County BOE	School System	9,016,540	97,338	1.79%
Versacold (formerly Ga. Freezer)	Cold Storage Facility	7,131,200	88,730	1.63%
Potters House	Non-Profit Organization	3,881,200	49,350	0.91%
Affordable Mobiles	Mobile Home Park	2,851,080	33,332	0.61%
City of Jefferson	Municipality	3,740,300	11,631	0.21%
TOTALS		251,352,755	1,657,440	30.43%

Note¹: Per contract Georgia Power pays a monthly fixed fee of \$44,373 regardless of actual usage. This agreement expired in 2019.
 Data Source: JCWSA billing records

Jackson County Water & Sewerage Authority
Principal Sewer Customers
For Current Year and Ten Years Ago

Table 13A

Current Year

2022

Customer	Type of Facility	Annual Usage (in gallons)	Total Billing	Percentage of System Billing
Toyota Industrial Compressor Parts	Manufacturing	23,017,860	\$ 216,237	8.82%
TD Automotive Compressor of Georgia	Manufacturing	16,601,330	155,906	6.36%
Jackson County Board of Education	School System	6,523,930	71,207	2.90%
City of Jefferson	Municipality	5,127,828	39,652	1.62%
TJX	Warehouse	2,822,500	32,576	1.33%
Amazon	Warehouse	2,027,910	19,142	0.78%
Bumper to Bumper	Car Wash	1,471,560	13,918	0.57%
Bed Bath and Beyond	Warehouse	1,428,880	13,517	0.55%
Real Subs	Publix Grocery Store	1,193,430	11,306	0.46%
Mt Creek Villas	Apartment Complex	1,179,000	11,114	0.45%
TOTALS		61,394,228	\$ 584,575	23.84%

Ten Years Ago

2013

Customer	Type of Facility	Annual Usage (in gallons)	Total Billing	Percentage of System Billing
Jackson County Board of Education	School System	3,865,100	30,299	6.63%
TD Automotive Compressor of Ga	Manufacturing	1,315,426	10,203	2.23%
Bed Bath and Beyond	Warehouse	989,480	7,774	1.70%
Car Clean	Car Wash	893,250	7,043	1.54%
Real Subs (Publix)	Grocery Store	848,950	6,697	1.47%
Jay Jala Investments	Shopping Center	813,820	6,707	1.47%
JBE McDonalds	Restaurant	301,960	2,522	0.55%
GPS Hospitality dba Burger King	Restaurant	245,500	1,991	0.44%
Jackson 85 Distribution Center	Warehouse	380,300	3,042	0.67%
Takeuchi	Warehouse	150,000	1,246	0.27%
TOTALS		9,803,786	77,523	16.97%

Data Source: JCWSA billing records

**Jackson County Water & Sewerage Authority
Ratios of Outstanding Debt by Type**

Last Ten Fiscal Years

Table 14

Fiscal Year	Revenue Bonds/Contracts	Notes/ Loans	Total		
			Amount	Per Capita	As a Share of Personal Income
2013	\$ 30,194,690	\$ 142,936	\$ 30,337,626	\$ 501	7.1%
2014	\$ 27,921,093	\$ 120,066	\$ 28,041,160	\$ 463	7.7%
2015	\$ 25,455,974	\$ 97,196	\$ 25,553,171	\$ 422	8.4%
2016	\$ 30,840,964	\$ -	\$ 30,840,964	\$ 509	7.0%
2017	\$ 28,128,633	\$ -	\$ 28,128,633	\$ 435	6.6%
2018	\$ 33,053,644	\$ -	\$ 33,053,644	\$ 490	5.8%
2019	\$ 29,206,893	\$ -	\$ 29,206,893	\$ 400	6.6%
2020	\$ 25,280,030	\$ -	\$ 25,280,030	\$ 346	7.6%
2021 (1)	\$ 39,955,615	\$ 72,447	\$ 40,028,062	\$ 522	4.9%
2022	\$ 35,904,975	\$ 87,337	\$ 35,992,312	\$ 448	5.6%

Notes: The authority's bond covenants stipulate that it may issue debt as long as certain conditions are met. The major criterion is that the net earnings of the system must be at least 1.2 times the highest combined debt service requirement was recognized on the Authority's records in 2002 per contract agreement with Jackson County.

Source: Debt per capita is derived from total debt divided by population (U.S Census Bureau).

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated.

Jackson County Water & Sewerage Authority
Pledged Revenue Coverage
Last Ten Fiscal Years
Table 15

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 (1)</u>	<u>2022</u>
Net Operating Income(Loss)	\$ (435,301)	\$ 850,274	\$ 1,152,505	\$ 1,556,993	\$ 513,401	\$ 971,293	\$ 1,267,665	\$ 1,164,948	\$ 2,340,234	\$ 3,121,936
Plus: Depreciation	2,586,592	2,584,416	2,663,602	2,710,154	2,716,547	2,782,938	2,903,023	3,034,945	3,326,471	3,498,376
Interest Income	17,889	16,497	10,478	4,257	7,723	210,828	205,549	45,465	25,281	236,950
Plus: Jackson County Subsidy	1,986,772	1,586,316	1,370,721	668,584	668,365	463,745	590,132	-	-	-
Non-Operating Revenues/Expenses	69,746	28,281	4,414	4,414	4,044	7,289	36,656	(158,079)	89,481	27,010
Net Revenues Available for Debt Service	<u>\$ 4,438,658</u>	<u>\$ 5,065,784</u>	<u>\$ 5,201,720</u>	<u>\$ 4,944,402</u>	<u>\$ 3,910,080</u>	<u>\$ 4,436,092</u>	<u>\$ 5,003,024</u>	<u>\$ 4,087,279</u>	<u>\$ 5,565,661</u>	<u>\$ 6,884,273</u>
Actual Debt Service on Bonds	\$ 1,525,092	\$ 1,352,794	\$ 1,064,594	\$ 1,085,988	\$ 1,048,666	\$ 2,582,000	\$ 3,417,134	\$ 3,391,070	\$ 3,391,070	\$ 2,449,263
Coverage Ratio	2.77	3.74	4.89	4.55	3.73	1.72	1.46	1.21	1.64	2.81
Net Revenues Available for Debt Service	4,225,698	5,065,784	5,201,720	4,944,402	3,910,080	4,436,092	5,003,024	4,087,279	5,565,661	6,884,273
Plus: Tap Fees in Excess of Cost	135,838	-	173,659	5,197	135,449	104,679	2,960,446	1,297,172	1,808,928	3,715,678
SPLOST Available for Debt Service	-	-	-	-	100,800	1,060,800	1,059,672	1,058,292	1,061,660	1,059,692
Total Revenues Available for Debt Service	<u>\$ 4,361,536</u>	<u>\$ 5,065,784</u>	<u>\$ 5,375,379</u>	<u>\$ 4,949,599</u>	<u>\$ 4,146,329</u>	<u>\$ 5,601,571</u>	<u>\$ 9,023,142</u>	<u>\$ 6,442,743</u>	<u>\$ 8,436,249</u>	<u>\$ 11,659,643</u>
Actual Debt Service on Bonds	\$ 1,525,092	\$ 1,352,794	\$ 1,064,594	\$ 1,085,988	\$ 1,048,666	\$ 2,582,000	\$ 3,417,134	\$ 3,391,070	\$ 3,391,070	\$ 2,449,263
Coverage Ratio	2.86	3.74	5.05	4.56	3.95	2.17	2.64	1.90	2.49	4.76
Total Revenues Available for Debt Service	<u>\$ 4,361,536</u>	<u>\$ 5,065,784</u>	<u>\$ 5,375,379</u>	<u>\$ 4,949,599</u>	<u>\$ 4,146,329</u>	<u>\$ 5,601,571</u>	<u>\$ 9,023,142</u>	<u>\$ 6,442,743</u>	<u>\$ 8,436,249</u>	<u>\$ 11,659,643</u>
Actual Debt Service on All Debt	\$ 3,573,309	\$ 3,572,007	\$ 4,767,510	\$ 3,603,395	\$ 3,538,520	\$ 4,619,593	\$ 4,840,367	\$ 4,714,718	\$ 4,729,704	\$ 4,984,139
Coverage Ratio	1.22	1.42	1.13	1.37	1.17	1.21	1.86	1.37	1.78	2.34

(1) In 2022, the Authority implemented GASB 87 which caused the 2021 Financial Statements to be restated

**Jackson County Water & Sewerage Authority
Demographic and Economic Statistics**

Last Ten Fiscal Years

Table 16

Fiscal Year	Population (1)	Personal Income (2)	Capita		School Enrollment (4)	Unemployment Rate (5)
			Personal Income	Personal Income ¹		
2013	61,044	\$ 2,000,778	\$	32,776	11,346	7.7%
2014	61,870	\$ 2,114,593	\$	34,178	12,167	6.4%
2015	63,360	\$ 2,224,570	\$	35,110	12,567 ²	5.7%
2016	64,615	\$ 2,396,700	\$	37,092	13,042	4.2%
2017	67,519	\$ 2,571,660	\$	38,088	13,144	3.2%
2018	70,422	\$ 2,972,714	\$	42,213	12,538	3.0%
2019	72,977	\$ 3,328,262	\$	45,607	12,952	3.0%
2020	76,199	\$ 3,754,630	\$	49,274	14,193	4.4%
2021	80,286	\$ 3,911,935	\$	48,725	15,006	2.4%
2022	83,936	\$ 4,118,152	\$	49,063	15,869	2.0%

Data sources:

- (1) US Bureau of the Census
- (2) Amount expressed in thousands
- (3) Federal Bureau of Economic Analysis; Then projected for 2017
- (4) Jackson Co. Board of Education from Governor's office
- (5) Federal Bureau of Labor Statistics

¹ Capital Personal Income was restated for 2008-2016 based on data from Bureau of Economic Analysis. Estimates are used.

² School Enrollment was restated for 2015 based on data from Governor's office.

**Jackson County Water & Sewerage Authority
Principal Employers
Current Year and Nine Years Ago**

Table 17

Employer	Type of Business	2022			2013		
		Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
SK Battery	Manufacturer	3,000	1	6.50%			
Amazon	Distributor	1,700	2	3.68%			
Homegoods	Distributor	1,500	3	3.25%			
Jackson BOE	School System	1,368	4	2.96%			
Bed Bath & Beyond, Inc.	Distributor	1,350	5	2.93%			
Kubota Industrial Equipment Corporation	Manufacturer	1,000	6	2.17%	425	3	1.71%
TD Automotive Compressor Georgia LLC	Manufacturer	800	7	1.73%	300	7	1.20%
Carters/Oshkosh	Distributor	600	8	1.30%			
Toyota Industrial Compressors of America	Manufacturer	530	9	1.15%			
Wayne Farms, LLC	Poultry Processor	500	10	1.08%	1,112	1	4.47%
Mission Foods	Distributor				455	2	1.83%
Systemax, Inc.	Distributor				400	4	1.61%
Baker & Taylor, Inc.	Distributor				400	5	1.61%
Northridge Medical Center	Hospital				315	6	1.26%
TenCate Nicolon	Manufacturer				300	8	1.20%
Roper Pump Co.	Manufacturer				250	9	1.00%
Mayfield Dairy Farms	Processing				235	10	0.94%
All Other Employers		33,805		73.25%	20,712		83.17%
Total		<u>46,153</u>		<u>100.00%</u>	<u>24,904</u>		<u>100.00%</u>

Source: Jackson County Area Chamber of Commerce (updated May 2022)
Jackson County Government

**Jackson County Water & Sewerage Authority
Schedule of Number of Employees**

Last Ten Fiscal Years

Table 18

Full-time Equivalent Employees										
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Water:	4	4	6	7	8	7	7	7	7	7
Sewer:	3	3	3	3	4	4	5	5	5	5
Engineering:	5	5	5	6	7	7	6	6	7	6
Administration/Finance:	7	8	8	8	10	12	13	14	16	17
Total	<u>19</u>	<u>20</u>	<u>22</u>	<u>24</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>32</u>	<u>35</u>	<u>35</u>

Note: All Managers and directors are included in their departments. A full-time employee is scheduled to work 2,080 hours per year

Data Source: JCWSA personnel records

Jackson County Water & Sewerage Authority
Operating and Capital Indicators
Last Ten Fiscal Years

Table 19

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Drinking Water										
Water storage capacity (MG)	6.20	6.20	6.20	6.20	5.15 ³	5.15	5.15	5.15	5.15	5.15
Miles of water main	396.87	432.19	403.85 ¹	406.19	406.71	410.78	493.13 ¹	419.16 ²	419.87	433.31
Number of pumping stations	8	8	9	9	9	9	9	9	9	9
Wastewater treatment										
Miles of sewer main:										
Gravity flow	64.84	64.84	64.84	65.32	65.32	76.08	70.82 ¹	75.37	77.90	81.50
Force main	54.19	54.19	54.19	54.67	54.67	55.89	59.37	62.89	63.83	67.03
Number of treatment plants	10.65	10.65	10.65	10.65	10.65	20.19	11.45	12.48	14.07	14.47
Treatment capacity (MGD)	1	1	1	1	1	1	1	1	1	1
Annual engineering maximum plant capacity (millions of gallons)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.8	0.8	1.25
Amount treated annually (millions of gallons)* ²	182.5	182.5	182.5	182.5	182.5	182.5	182.5	292.0	292.0	456.25
Unused capacity (millions of gallons) ²	71.00	48.98	72.86	79.83	121.33	186.30	205.20	193.88	214.80	241.09
Percentage of capacity utilized	111.50	133.52	109.64	102.67	61.17	(3.80)	(22.70)	98.12	77.20	215.16
Engineering/inspection/construction inspections conducted ²	38.90%	26.84%	39.92%	43.74%	66.48%	102.08%	112.44%	66.40%	73.56%	52.84%
Engineering/inspection/construction inspections conducted ²	438	425	830	1,600	1,750	2,100	2,200	2,300	1,560	1,800

Notes: MGD - millions of gallons per day. Additional operating indicators can be found in Schedules 7-9

Notes: MG - millions of gallons - Tank storage only

Note¹: In 2015 field verification resulted in decrease in total water lines due to identification of duplicate lines within GIS system.

Note²: These numbers were revised due to better collection of data and engineering estimates

Note³: Water storage capacity was revised for 2017 and going forward. Previous years included system (pipe) capacity

Data Sources: JCWSA GIS data, Engineering Department, Wastewater Department, Water Department

Jackson County Water & Sewerage Authority
Performance Measures - System Statistics
For the year ended December 31, 2022

Table 20

WATER DISTRIBUTION & SEWER COLLECTION	
Feet of sanitary sewer system inspected by camera	18,900
Sewer inspections conducted	478
Feet of sewer line rodded and flushed	21,700
Fire hydrants repaired/replaced/installed	18
Lines and/or valve repairs performed	12
Pump stations serviced and/or repaired	5
Water stubs installed	74
ENGINEERING MANAGEMENT	
Wastewater treatment capacity evaluations performed for proposed developments	13
Plan reviews performed for water line installation by developer	22
Developments installing water	16
Developments installing sewer	11
JCWSA water projects in progress	1
JCWSA wastewater projects in progress	0
Miles of water main installed by JCWSA	13.44
Miles of sewer main installed by JCWSA	3.6
METER MANAGEMENT	
Water meters tested	73
Meters replaced through meter replacement program	554
New water meters installed	578
WATER BUSINESS OFFICE	
Number of water/irrigation bills prepared ¹	139,155
Number of sewer bills prepared ¹	39,689
Number of water customers gained (net)	610
Number of sewer customers gained (net)	408

continued

**Jackson County Water & Sewerage Authority
Performance Measures - System Statistics**

For the year ended December 31, 2022

Table 20

continued

WASTEWATER TREATMENT PLANT	
Millions of gallons of wastewater treated	241.09
Dry tons of biosolids landfilled	937.66
Lab & industrial samples analyzed	1,154
WATER TREATMENT PLANT	
All water sold by JCWSA is purchased from either Upper Oconee Basin Water Authority or the City of Commerce. Both water systems treat the water prior to purchase.	N/A

Data Sources: JCWSA GIS Department, Engineering Department, Wastewater Department data, and Water Department data

Note¹: Actual number of bills mailed out. Water and sewer services are billed together each month for each service address. A small number of customers have separate irrigation service.

Jackson County Water & Sewerage Authority
Historical Cost per 1,000 Gallons from Bear Creek Reservoir by Component

Last Ten Fiscal Years

Table 21

	<u>Gallons Purchased</u>	<u>M&O Costs</u>	<u>Cost per 1,000</u>		<u>Cost per 1,000</u>			<u>Cost per 1,000 gallons</u>	<u>Full Cost per</u>
			<u>gallons</u>	<u>for M&O</u>	<u>Debt Requirement</u>	<u>gallons</u>	<u>for Debt</u>		
2016	1,116,757,000	\$ 902,168	\$ 0.81	\$ 1,337,168	\$ 1.20	\$ 450,550	\$ 0.40	\$ 2.41	
2017	1,171,620,000	1,114,992	0.95	1,336,730	1.14	690,294	0.59	2.68	
2018	1,255,813,338	1,173,165	0.93	1,324,986	1.06	480,626	0.38	2.37	
2019	1,339,911,500	1,259,627	0.94	1,348,440	1.01	470,573	0.35	2.30	
2020	1,467,246,000	1,460,291	1.00	1,324,581	0.90	535,407	0.36	2.26	
2021	1,470,718,000	1,444,186	0.98	1,324,124	0.90	503,361	0.34	2.22	
2022	1,557,433,000	1,451,301	0.93	1,321,269	0.85	555,539	0.36	2.14	
							Average Cost per 1K gal (over time)	\$	2.34

Source: System Records.
 Data before 2016 is not available.

**Jackson County Water & Sewerage Authority
Historical Water System Demand**

Last Ten Fiscal Years

Table 22

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Daily Demand (MGD)	2.1	2.7	2.7	3.1	3.2	3.4	3.7	4	4	4.3
Maximum Daily Demand (MGD)	2.8	3.9	3.97	4.2	4.4	5.2	5	5.4	5.4	5.96

Source: System Records.

Data updated for all years at review of historical data

**Jackson County Water & Sewerage Authority
Historical Sewer System Demand**

Last Ten Fiscal Years

Table 22A

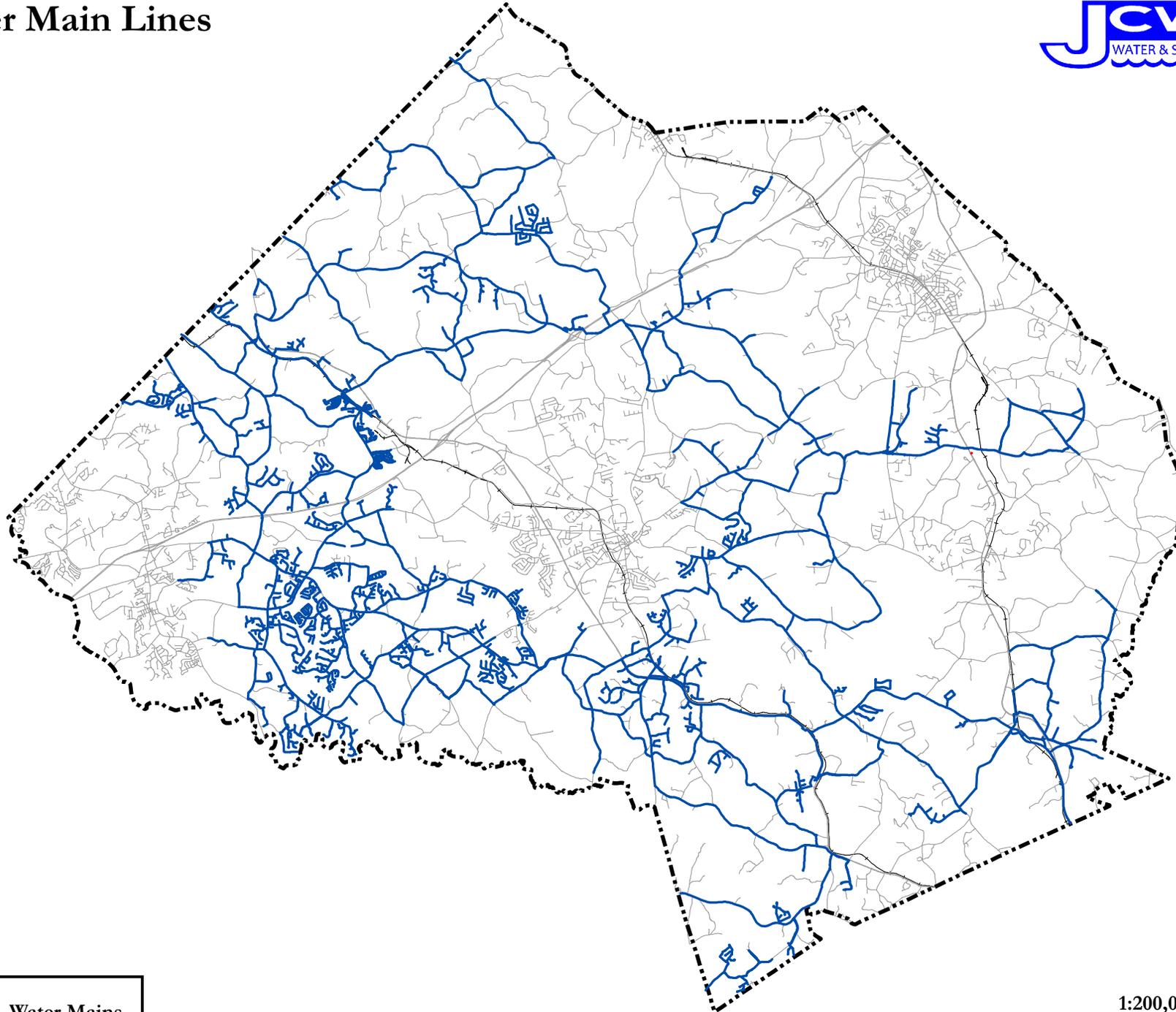
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Average Daily Demand (MGD)	0.13	0.189	0.323	0.405	0.505	0.552	0.62
Maximum Daily Demand (MGD)	0.149	0.299	0.402	0.71 ¹	0.696	0.702	0.805

Source: System Records.

¹ Caused by 100 year flood event.

Note: Data before 2016 is not available

Water Main Lines

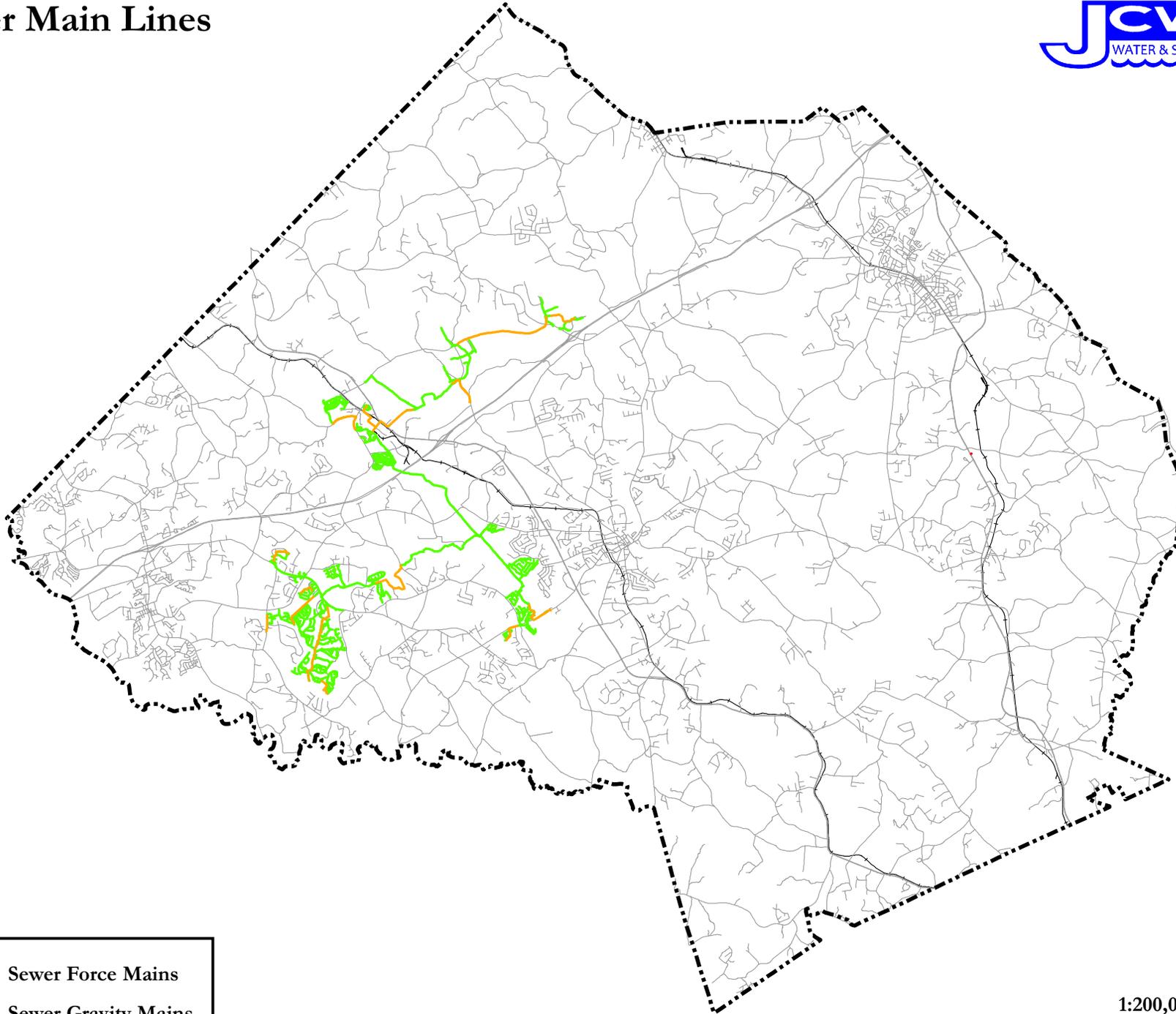


— Water Mains

Table 23
75

1:200,000
0 0.5 1 2 3 Miles
MAP CREATED USING JCWSA GIS

Sewer Main Lines



	Sewer Force Mains
	Sewer Gravity Mains

Table 23
76

1:200,000
0 0.5 1 2 3 Miles
MAP CREATED USING JCWSA GIS

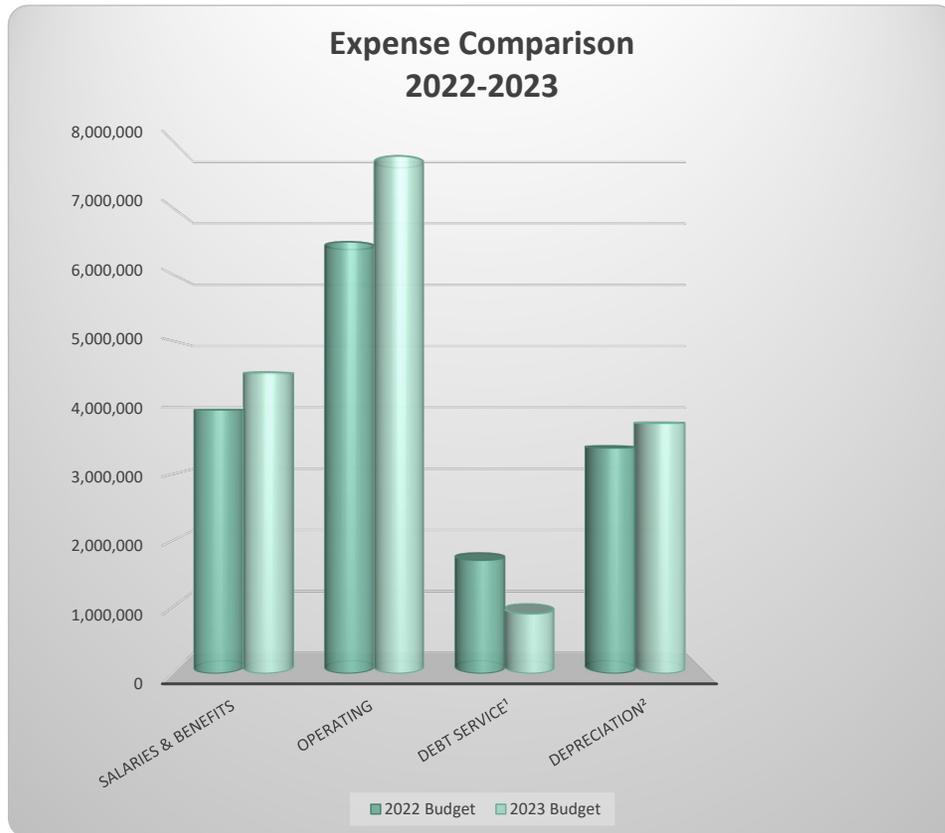


APPROVED

2023 BUDGET SUMMARY

Expense Totals

	2022 Budget	2023 Budget	Percent of Total 2023 Budget	Difference 2022-2023	Percent Change
Salaries & Benefits	3,965,576	4,527,153	26.7%	561,577	14.2%
Operating	6,487,632	7,775,621	45.8%	1,287,989	19.9%
Debt Service ¹	1,704,662	897,855	5.3%	(806,807)	-47.3%
Depreciation ²	3,393,883	3,764,272	22.2%	370,389	10.9%
TOTAL	15,551,752	16,964,900	100.0%	1,413,148	9.1%



¹ Debt Service Includes Amortization of Bond Premium/Discount & Amortization of Deferred Refunding

² Depreciation is a non-cash expense. JCWSA budgets for depreciation with intent to reserve cash for repair, maintenance and replacement of aging assets.

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

June 27, 2023

To the Members of the Board
JACKSON COUNTY WATER AND SEWERAGE AUTHORITY
Jefferson, 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 of JACKSON COUNTY WATER AND SEWERAGE AUTHORITY, a component unit of JACKSON COUNTY, GEORGIA, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's basic financial statements and have issued our report thereon dated June 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JACKSON COUNTY WATER AND SEWERAGE 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 JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's internal control. Accordingly, we do not express an opinion on the effectiveness of the JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's internal control.

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

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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JACKSON COUNTY WATER AND SEWERAGE AUTHORITY's financial statements are free of 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 determination of 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.

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.

Bates, Carter & Co., LLP