

Coweta County Water & Sewerage Authority

Meeting Agenda

Wednesday, October 7, 2026

Board Room

Meeting Time: 9:00 A.M.

<u>Approx. Time</u>	<u>Agenda Item</u>	<u>Presenter</u>
9:00 a.m.	Call to order	Chairman Bartlett
	Pledge of Allegiance	
	Invocation	
	Approval of minutes from the September 2, 2026 meeting	
	<u>Business</u>	
	Service Awards	Jay Boren
	Consider the adoption of a supplemental parity bond resolution providing for the terms of the Authority's Revenue Bonds, Series 2026, including authorization and execution of various documents related thereto, including a bond purchase agreement	Jay Boren
	Property and Casualty Insurance Renewal	Clay McEntire
	FY26 Audit Presentation	Samuel Latimer
	Update on Operations	Emmanuel McBurnett
	Update on Human Resources	Mandy Sledd
	Update on Customer Care/Information Technology	Alan Sibley
	Monthly Report	Roger Dawson

Agenda Additions:

Executive Session

Litigation / Real Estate / Personnel

Adjournment

Next Board Meeting: Wednesday, November 4, 2026 at 9:00 AM



Certified Public Accountants | Gainesville, Georgia

FY 2026 AUDIT PRESENTATION

Coweta County Water and Sewerage Authority

Annual Financial Report for the fiscal years ended June 30, 2026 and 2025

Presented to the Board of Directors | October 7, 2026

Presented by Samuel Latimer, CPA, CFE | Audit Partner | Rushton, LLC

A component unit of Coweta County, Georgia |

Unmodified Opinion — No Findings Reported

Fiscal years ended June 30, 2026 and 2025 | Auditor's report dated September 4, 2026

- ▶ **Opinion:** unmodified — a “clean” opinion on the FY 2026 and FY 2025 financial statements. This is the highest level of assurance we can provide.
- ▶ **Standards applied:** auditing standards generally accepted in the United States and Government Auditing Standards (the Yellow Book), issued by the Comptroller General.
- ▶ **Internal control:** we identified no deficiencies we consider to be material weaknesses, and no significant deficiencies are reported.
- ▶ **Compliance:** our tests disclosed no instances of noncompliance required to be reported under Government Auditing Standards.
- ▶ **Single Audit:** the report contains no Uniform Guidance reporting — no Single Audit was required for FY 2026.
- ▶ **Not audited:** Management’s Discussion and Analysis is required supplementary information. We applied limited procedures and express no opinion on it.
- ▶ **New standards:** the Authority implemented GASB Statements 103 and 104 this year. Both affect presentation and disclosure only — neither changed net position.

THE DISTINCTION THAT MATTERS

A clean opinion says the financial statements are fairly presented. It is not a rating of financial condition or of operations — that is what the rest of this presentation covers.

The Year in Review

Fiscal year ended June 30, 2026 compared with fiscal year 2025

\$174.8M

Total net position

Up \$13.2M, or 8.2%

\$55.3M

Invested in the system

Gross capital additions

1.81x

Debt service coverage

1.25x required; 2.08x in FY 2025

22.9

Months of net position

Unrestricted basis; 22.2 in FY 2025

WHAT MOVED UP

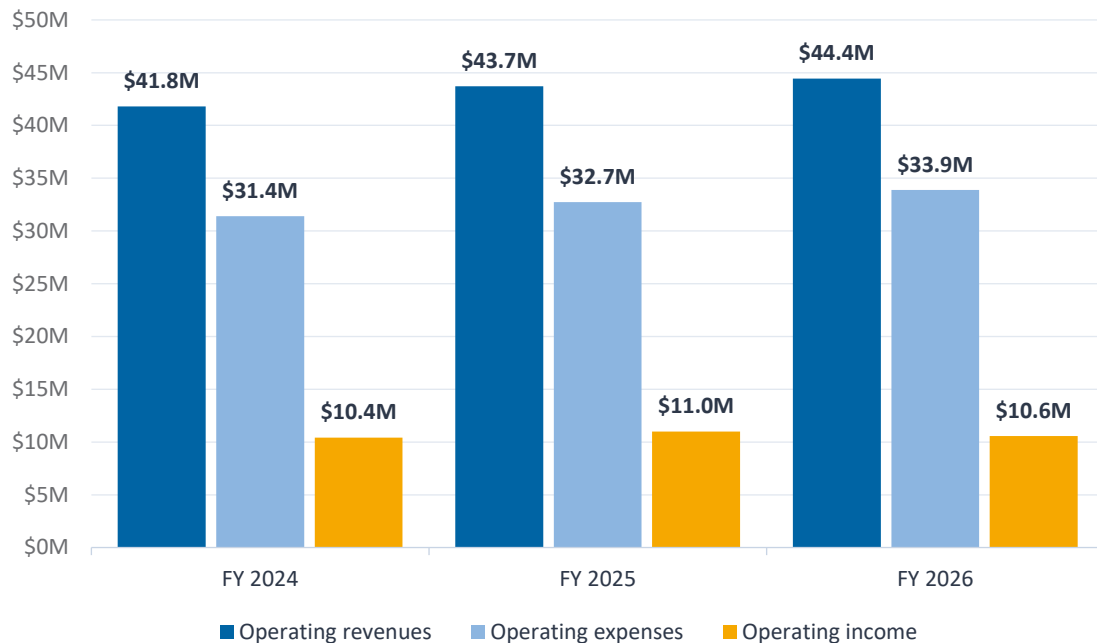
- ▶ Water and sewer sales +\$1,117,550 (+2.9%) on 477 new customers
- ▶ Net capital assets +\$47,687,050 (+17.5%) to \$319.6 million
- ▶ Unrestricted net position +\$2,812,857 (+5.9%) to \$50.3 million
- ▶ Cash from operations +\$1,627,142 (+9.5%) to \$18.8 million
- ▶ Total long-term debt -\$3,834,605 (-1.8%); no new bonds issued

WHAT MOVED DOWN

- ▶ Change in net position -\$6,547,586 (-33.1%) to \$13.2 million
- ▶ Interest income -\$2,265,469 (-38.9%) as rates fell
- ▶ Developer capital contributions -\$4,215,281 (-39.6%)
- ▶ Tap fees -\$466,105 (-24.1%) as development slowed
- ▶ Restricted cash -\$45,740,224 as 2024 bond proceeds were spent

Operating Results

Operating revenues, operating expenses and operating income — FY 2024 through FY 2026



WHAT THIS MEANS

- ▶ Revenues grew 1.6%; expenses grew 3.5%. Operating margin narrowed from 25.2% to 23.8%.
- ▶ Growth came from customers, not price — 32,714 customers, up 1.48%.
- ▶ Personal services (+5.3%) and depreciation (+8.0%) drove the expense increase; cost of sales was flat at +0.1%.
- ▶ A 5.0% rate increase is scheduled for FY 2027.

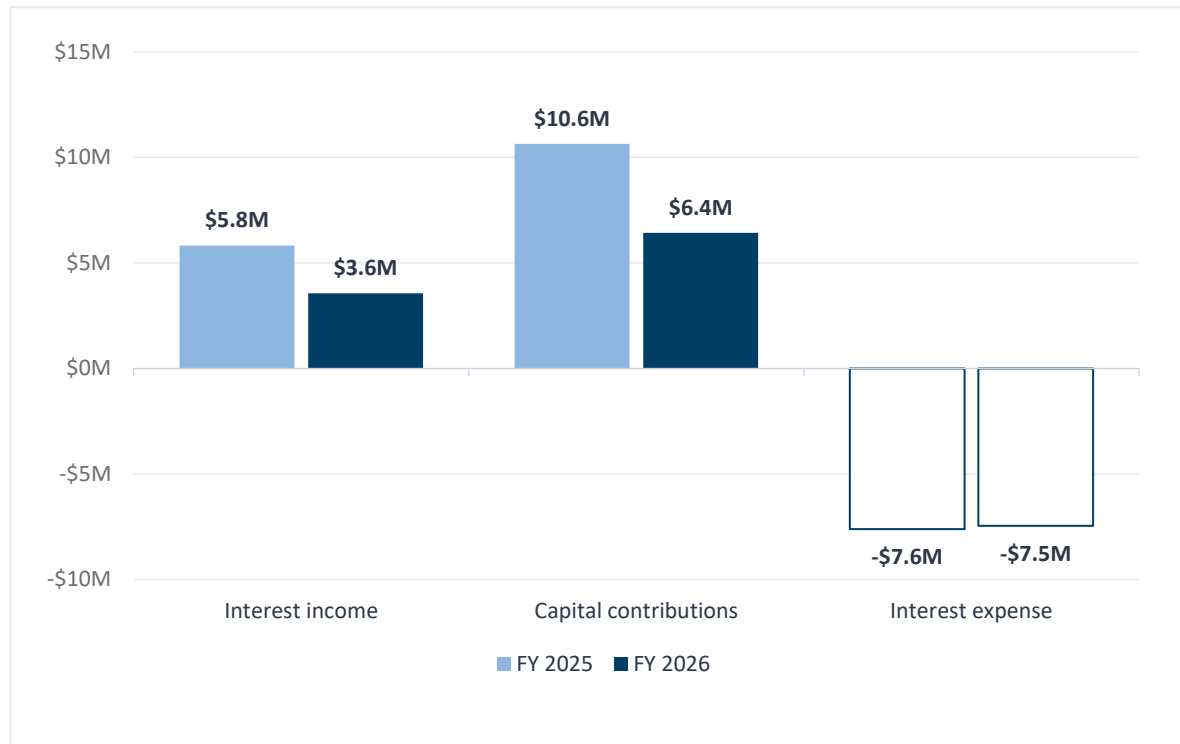
Operating Results – What Changed

Operating revenues and expenses — FY 2026 compared with FY 2025

Operating revenues and expenses	FY 2026	FY 2025	Change \$	Change %
Water and sewer sales	39,450,232	38,332,682	1,117,550	2.9%
Tap fees	1,465,812	1,931,917	(466,105)	(24.1%)
Other charges for services	3,500,435	3,439,603	60,832	1.8%
Lease revenue	18,042	18,042	—	—
Total operating revenues	44,434,521	43,722,244	712,277	1.6%
Cost of sales and services	14,872,190	14,853,773	18,417	0.1%
Personal services	11,429,713	10,858,201	571,512	5.3%
Depreciation and amortization	7,570,500	7,007,101	563,399	8.0%
Total operating expenses	33,872,403	32,719,075	1,153,328	3.5%
Operating income	10,562,118	11,003,169	(441,051)	(4.0%)

Nonoperating Results - Below the Operating Line

Non-operating revenues and expenses — FY 2026 compared with FY 2025

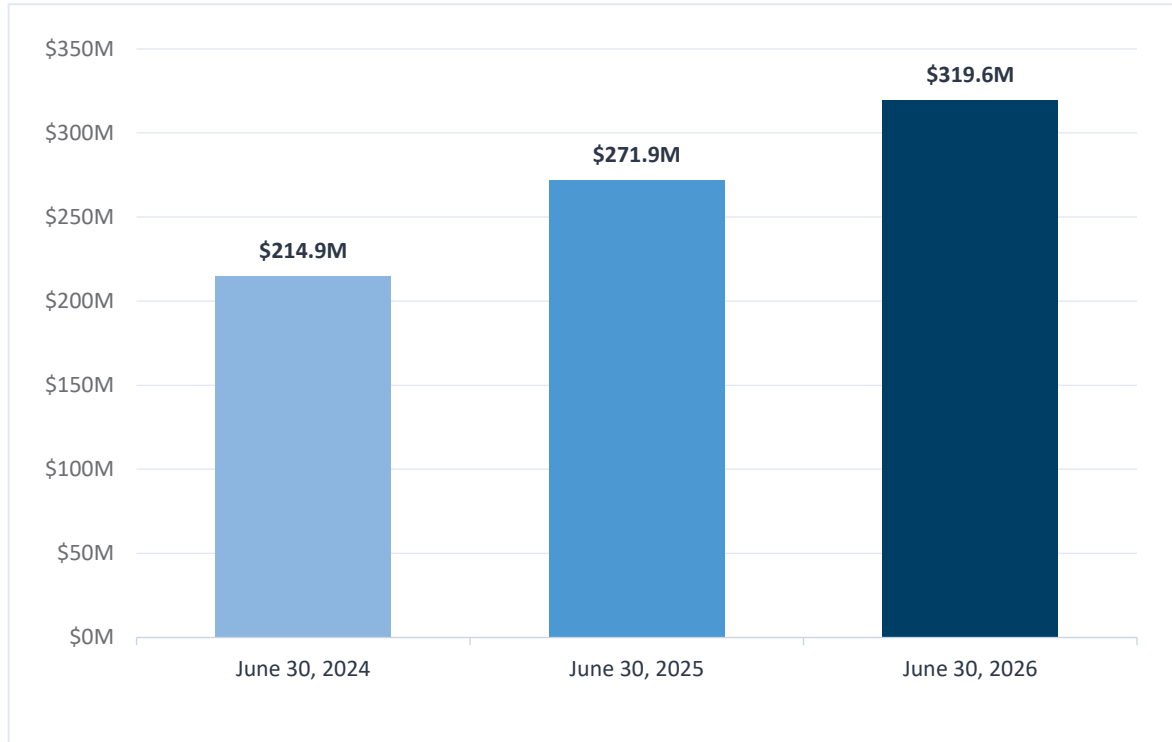


WHAT THIS MEANS

- ▶ Change in net position fell to \$13,205,793 from \$19,753,379 — a 33.1% decline.
- ▶ Interest income fell \$2.3 million: FY 2025 earned a full year on unspent 2024 bond proceeds, and rates have since fallen.
- ▶ Developer contributions of infrastructure fell \$4.2 million as development slowed.
- ▶ Interest expense was essentially flat and no new bonds were issued during FY 2026.

\$55 Million Invested — Bond Cash Became Infrastructure

Capital assets, net of accumulated depreciation — June 30, 2024 through June 30, 2026



WHAT THIS MEANS

- ▶ Gross additions of \$55,257,640, including \$6,421,090 of infrastructure contributed by developers.
- ▶ Construction in progress rose to \$130,840,808 — Shenandoah WWTP expansion, Chattahoochee raw water intake and transmission main, Fayette County booster station.
- ▶ Restricted cash fell from \$66.4M to \$20.6M as the 2024 bond proceeds were drawn down.
- ▶ Remaining construction commitments are \$23,800,070, down from \$58,939,684.

Debt and Debt Service Activity

Outstanding long-term debt and debt service coverage at June 30, 2026

OUTSTANDING DEBT

- ▶ **Revenue bonds \$164,674,000** — down \$3,204,000 in scheduled principal retirement. No new bonds were issued during FY 2026.
- ▶ **GEFA notes \$45,815,168** — down \$461,281 net; \$839,796 drawn and \$1,301,077 repaid. Secured by Authority revenues and by Coweta County's full faith and credit.
- ▶ **Premium and leases \$4,046,147** — unamortized bond premium of \$4,037,601 and copier leases of \$8,546.
- ▶ **Total long-term debt \$214,535,315** — down 1.8% from \$218,369,920. Debt per customer fell to \$6,558 from \$6,774.
- ▶ **Interest expense \$7,454,636** — down \$156,540. The Authority also carries \$5,847,016 of deferred charges on prior refundings.

COVERAGE AND CAPACITY

- ▶ **Debt service coverage 1.81x** — net revenues available for debt service of \$21,691,174 against total debt service of \$11,969,302. The requirement is 1.25x.
- ▶ **FY 2025 was 2.08x** — coverage narrowed as interest income fell \$2,265,469 and scheduled note principal rose.
- ▶ **Net revenues available** — operating income of \$10,562,118 plus depreciation of \$7,570,500 and interest income of \$3,558,556.
- ▶ **Total debt service** — interest of \$7,454,636 plus principal on bonds \$3,204,000, notes \$1,301,077 and leases \$9,589.
- ▶ **Debt to net position 1.23x** — improved from 1.35x. Defeased bonds of \$31,265,000 are not an obligation the Authority services.
- ▶ **FY 2027 requirements \$11,181,702** — bonds and GEFA notes, before any debt service on the Series 2026 bonds.

Liquidity, Long-Term Obligations and Commitments

Liquidity, long-term obligations and commitments at June 30, 2026

LIQUIDITY

Cash and reserves

- Unrestricted cash \$49,820,053, up \$3,495,149
- 691 days — about 23 months — of cash operating expenses, up from 658 days
- Unrestricted net position \$50,296,913
- Current ratio 4.9 to 1
- No uninsured or uncollateralized deposits at year end
- Accounts receivable \$2,058,723 net of a \$494,271 allowance
- Restricted cash \$20,644,019, nearly all unspent 2024 bond proceeds

PENSION AND OPEB

Defined contribution only

- No net pension liability and no OPEB liability are reported
- Employer contributions \$645,604, up from \$616,379
- Employees vest over five years; the Authority contributes 3% plus a match
- One legacy item: a pro-rata reimbursement to Coweta County for three retirees' health care, amount not determinable
- Compensated absences \$638,935, down \$134,556

COMMITMENTS

Contracts and contingencies

- Construction commitments \$23,800,070, down from \$58,939,684
- Wholesale water contracts: Griffin 5.0 MGD through 2049, Newnan Utilities 1.25 MGD through 2029, Fayette County 1.0 MGD
- Purchased water \$7,547,682 — about half of cost of sales
- The City of Atlanta contract was terminated during FY 2026
- The Griffin rate fell to \$3.27 per thousand gallons from \$3.42
- Counsel reports no determinable lawsuits

Subsequent Events and Forward Commitments

Subsequent events and forward commitments disclosed in the financial statements

Approximately \$63.3 million of Series 2026 Revenue Bonds is expected to be issued in October 2026.

- ▶ On September 2, 2026 — two days before our report date — the Board adopted a bond resolution for the Series 2026 Revenue Bonds. This is disclosed as a subsequent event in Note 15.
- ▶ Proceeds are earmarked for additions, extensions and improvements to the system, including expansion of the B.T. Brown Water Treatment Plant and related infrastructure, plus costs of issuance. Principal amount and terms are preliminary and subject to change.
- ▶ A 5.0% water and sewer rate increase is scheduled for fiscal year 2027.
- ▶ \$23,800,070 of construction contracts remain to be spent on projects already underway, and \$19,383,710 of 2024 bond proceeds remained unspent at year end.
- ▶ The Shenandoah WWTP expansion will total approximately \$59.2 million when complete; the Chattahoochee raw water intake and pump station approximately \$31.2 million.
- ▶ Coweta County's population is estimated at 160,240, up from 146,158 at the 2020 census, with major residential, industrial and data center developments in the pipeline.
- ▶ Customer count reached 32,714 at June 30, 2026, a 1.48% increase over the prior year.

GASB Pronouncements — Implemented and Upcoming

Standards adopted through FY 2026 and those taking effect in future years

IMPLEMENTED

- ▶ **GASB 103, Financial Reporting Model Improvements** — adopted FY 2026. Presentation and disclosure changes only; no effect on net position.
- ▶ **GASB 104, Disclosure of Certain Capital Assets** — adopted FY 2026. Certain beginning capital asset balances were reclassified; no change to total capital assets, depreciation or net position.

UPCOMING

- ▶ **GASB 105, Subsequent Events** — effective FY 2027 (fiscal years beginning after June 15, 2026). Issued December 2025; replaces the guidance in GASB 56.
- ▶ **What it changes** — events must be classified as recognized or nonrecognized, and the Authority must disclose the date through which subsequent events were evaluated.
- ▶ **Why it matters here** — the Series 2026 bond issue is exactly the kind of nonrecognized subsequent event GASB 105 addresses. Expect a fuller note next year.
- ▶ **On the GASB's agenda** — no statement issued yet on going concern and severe financial stress disclosures, infrastructure assets, or revenue and expense recognition.

Five Observations From This Year's Audit

Five conclusions from the FY 2026 financial statements and audit results

1

The audit is clean — and that is a separate question from financial condition

Unmodified opinion, no material weaknesses, no reportable noncompliance. The opinion covers the fairness of the statements, not the health of the enterprise.

2

Financial position strengthened: net position rose \$13.2 million to \$174.8 million

Up 23.2% over three years. Unrestricted net position of \$50.3 million equals roughly 23 months of cash operating expenses.

3

The 33% decline in the bottom line happened below the operating line

Interest income fell \$2.3 million and developer contributions \$4.2 million. Operating income declined \$441,051, or 4.0%.

4

Operating margin is the item to monitor: revenues grew 1.6%, expenses grew 3.5%

Personal services rose 5.3% and depreciation 8.0%. The 5.0% rate increase scheduled for FY 2027 is what closes that gap.

5

The capital program is the dominant financial fact — and it is about to get larger

\$55.3 million invested this year, \$23.8 million of commitments remaining, and approximately \$63.3 million of new bonds expected in October 2026.



Certified Public Accountants | Gainesville, Georgia

QUESTIONS & DISCUSSION



Samuel Latimer, CPA, CFE

Audit Partner — Rushton, LLC

Email: slatimer@rushton.cpa

Phone: 770-287-7800

Web: www.rushton.cpa

726 South Enota Drive, Suite A | Gainesville, GA 30501



COWETA COUNTY

WATER & SEWERAGE

A U T H O R I T Y

COWETA COUNTY WATER AND SEWERAGE AUTHORITY

(A Component Unit of Coweta County, Georgia)

Annual Financial Report

For the fiscal years ended June 30, 2026 and 2025

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
ANNUAL FINANCIAL REPORT
For the fiscal years ended June 30, 2026 and 2025

TABLE OF CONTENTS

	<u>PAGE</u>
FINANCIAL SECTION	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis.....	4-12
Basic Financial Statements:	
Statements of Net Position.....	13
Statements of Revenues, Expenses and Changes in Net Position.....	14
Statements of Cash Flows.....	15-16
Notes to the Financial Statements.....	17-40
Other Reporting 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 Government Auditing Standards	41-42

Independent Auditor's Report

To the Board of Directors
Coweta County Water and Sewerage Authority
Newnan, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Coweta County Water and Sewerage Authority, a component unit of Coweta County, Georgia, as of and for the fiscal years ended June 30, 2026 and 2025, 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 present fairly, in all material respects, the financial position of the Coweta County Water and Sewerage Authority as of June 30, 2026 and 2025, and the respective changes in its net position and cash flows thereof, for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Coweta County Water and Sewerage Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 the Coweta 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 opinion. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Coweta 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 the Coweta 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, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as referred to 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 management's discussion and analysis 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2026, on our consideration of Coweta County Water and Sewerage Authority's internal control over financial reporting and our tests of 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 results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coweta County Water and Sewerage Authority's internal control over financial reporting and compliance.

Rublan, LLC

Certified Public Accountants

Gainesville, Georgia
September 4, 2026

Management's Discussion and Analysis (Unaudited)
Coweta County Water & Sewerage Authority
As of and For the Fiscal Year Ended June 30, 2026

The following discussion and analysis of the financial performance of the Coweta County Water & Sewerage Authority (the Authority) provides a narrative overview of the financial activities for the fiscal year ended June 30, 2026. The discussion and analysis also provides information relating to future business initiatives. We encourage readers to consider the information presented here in conjunction with the financial statements and notes to the financial statements following this section.

Overview of the Financial Statements

This discussion serves as an introduction to the financial statements included and a full disclosure of the fiscal year ended June 30, 2026. Three types of financial statements are included in the financial section of this audit: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows.

The Statement of Net Position includes all the Authority's assets and liabilities using the accrual basis of accounting and provides the basis for evaluating capital and assessing liquidity and flexibility.

All current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position and measure the success of the Authority's operation. This statement can be used to determine whether the Authority has successfully recovered its costs through usage fees and other charges.

The Statement of Cash Flows provides information about cash receipts, cash payments, and the net change in cash resulting from the operating, investing, and financing activities of the Authority including repayment of bonds and capital additions.

The notes to the financial statements provide additional information that is essential to a full understanding of these statements.

Financial Summary

- Operating revenues increased to \$44,434,521 for the period ending June 30, 2026, as compared to \$43,722,244 for the same period in 2025, which is an increase of \$712,277 or 1.6%.
- Operating expenses increased to \$33,872,403 for the period ending June 30, 2026, as compared to \$32,719,075 for the same period in 2025, which is an increase of \$1,153,328 or 3.5%.
- Operating income decreased by \$441,051, or 4.0%, for the period ending June 30, 2026, as compared to the same period in 2025.
- Change in net position decreased to \$13,205,793 for the period ending June 30, 2026, as compared to \$19,753,379 for the same period in 2025, which is a decrease of \$6,547,586 or 33.1%.

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the Authority's activities to determine if, overall, the financial position improved over the year. These two statements report the net position of the Authority and changes in net position over time. Analyzing the Authority's net position is one way to measure financial health; however, non-financial factors such as economic conditions, population growth, and new or revised government legislation should be considered as well. The following discussion should be read in conjunction with the financial statements and related notes along with other financial data included elsewhere in this report.

Net position

The following table depicts the Authority's condensed summary of net position for the years ended June 30, 2026, 2025, and 2024.

	2026	2025	2024
Assets			
Current assets	\$ 74,438,470	\$ 117,334,431	\$ 141,029,332
Capital assets	319,617,949	271,930,899	214,909,983
Other assets	249,388	263,789	277,246
Total assets	<u>\$ 394,305,807</u>	<u>\$ 389,529,119</u>	<u>\$ 356,216,561</u>
Deferred outflows of resources			
Deferred charge on refunding	<u>\$ 5,847,016</u>	<u>\$ 6,935,483</u>	<u>\$ 8,037,643</u>
Liabilities			
Current liabilities	\$ 15,191,031	\$ 20,468,838	\$ 17,491,787
Non-current liabilities	<u>209,927,328</u>	<u>214,149,052</u>	<u>204,651,042</u>
Total liabilities	<u>\$ 225,118,359</u>	<u>\$ 234,617,890</u>	<u>\$ 222,142,829</u>
Deferred inflow of resources			
Related to lease receivable	<u>\$ 224,016</u>	<u>\$ 242,057</u>	<u>\$ 2 60,099</u>
Net Position			
Net investment in capital assets	\$ 124,509,646	\$ 114,110,127	\$ 101,697,274
Restricted	3,889	10,472	10,676
Unrestricted	<u>50,296,913</u>	<u>47,484,056</u>	<u>40,143,326</u>
Total net position	<u><u>\$ 174,810,448</u></u>	<u><u>\$ 161,604,655</u></u>	<u><u>\$ 141,851,276</u></u>

The Authority uses capital assets to provide services to customers and therefore these assets are not available for future spending. Although the Authority's investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. The Authority's net position also included restricted net position of \$3,889 (approximately 0.002% of net position) and \$10,472 (approximately 0.006% of net position), at June 30, 2026 and 2025, respectively, that represent resources subject to external restriction on how they may be used.

Changes in net position

The following table reflects the Authority's changes in net position for the years ended June 30, 2026, 2025, and 2024.

	2026	2025	2024
Operating revenues			
Water sales	\$ 39,450,232	\$ 38,332,682	\$ 36,414,656
Water and sewer tap fees	1,465,812	1,931,917	1,828,056
Lease revenue	18,042	18,042	18,042
Other services	3,500,435	3,439,603	3,554,604
Total operating revenues	44,434,521	43,722,244	41,815,358
Operating expenses			
Cost of sales	14,872,190	14,853,773	14,799,354
Personnel services and employee benefits	11,429,713	10,858,201	9,960,532
Depreciation	7,570,500	7,007,101	6,646,352
Total operating expenses	33,872,403	32,719,075	31,406,238
Operating income (loss)	10,562,118	11,003,169	10,409,120

Non-operating revenues (expenses)

Interest income	3,558,556	5,824,025	2,125,553
Interest charges	(7,454,636)	(7,611,176)	(3,662,120)
Gain (loss) on disposal of assets	118,665	50,990	20,131
Bond issue costs	0	(150,000)	(737,490)
Intergovernmental	0	0	5,750,000
Capital contributions	6,421,090	10,636,371	4,719,127
Total non-operating revenues (expenses)	2,643,675	8,750,210	8,215,201
Changes in net position	13,205,793	19,753,379	18,624,321
Net position, beginning of the year, as previously reported	161,604,655	141,851,276	123,603,976
Change in accounting principle	0	0	(377,021)
Net position, beginning of the year, restated	161,604,655	141,851,276	123,226,955
Net position, end of the year	\$ 174,810,448	\$ 161,604,655	\$ 141,851,276

Detailed Analysis

Operating revenues increased to \$44,434,521 for the period ending June 30, 2026, as compared to \$43,722,244 for the same period in 2025, an increase of \$712,277 or 1.6%. Operating revenues increased to \$43,722,244 for the period ending June 30, 2025, as compared to \$41,815,358 for the same period in 2024, an increase of \$1,906,928 or 4.6%. The Authority increased water and sewer rates 5.0% and 2.5% in fiscal years 2025 and 2024, respectively, and an additional 5.0% rate increase is scheduled for fiscal year 2027. The Authority has also continued to grow its customer base.

Operating expenses increased to \$33,872,403 for the period ending June 30, 2026, as compared to \$32,719,075 for the same period in 2025, which is an increase of \$1,153,328 or 3.5%. Operating expenses increased to \$32,719,075 for the period ending June 30, 2025, as compared to \$31,406,238 for the same period in 2024, which is an increase of \$1,312,837 or 4.2%.

Personnel services and employee benefits expense increased \$571,512 and \$897,669, in fiscal year 2026 and 2025, respectively, due mainly to increased benefits costs, adding additional staff to maintain the distribution system and market driven pay increases.

Non-operating revenues (expenses) were \$2,643,675 for the period ending June 30, 2026, as compared to \$8,750,210 for the same period in 2025, which is a decrease of \$6,106,535 or 69.8%. Interest income decreased \$2,265,469 in fiscal year 2026 as interest rates dropped. During fiscal year 2025, the Authority was holding most of the proceeds from the issuance of the 2024 Bonds, which resulted in interest income of \$5,824,025, an increase of \$3,698,472 from \$2,125,553 in fiscal year 2024. Interest expense decreased \$156,540 in fiscal year 2026 and increased \$3,949,056 in fiscal year 2025. The Authority's outstanding debt stabilized in fiscal 2026 after increasing in fiscal years 2025 and 2024 resulting in bond issuance costs. Capital contributions decreased \$4,215,281 in fiscal year 2026 as development slows down some compared to fiscal year 2025.

During fiscal year 2026, the Authority implemented GASB Statement 103, *Financial Reporting Model Improvements*, and GASB Statement 104, *Disclosure of Certain Capital Assets*. The implementation of these new standards had no impact on the Authority's net position.

During fiscal year 2025, the Authority implemented GASB Statement 101, *Compensated Absences*. The result of implementing the new standard increased the liability for compensated absences for both fiscal years 2025 and 2024 and reduced beginning net position for the fiscal year ended June 30, 2024 by \$377,021.

Significant Capital Asset and Long-Term Financing Activity

The Authority's investment in capital assets includes land, buildings, site improvements, machinery, equipment, vehicles, furniture and fixtures, water system infrastructure, sewer system infrastructure, and construction-in-progress. The Authority's investment in capital assets as of June 30, 2026, was \$319,617,949 net of accumulated depreciation, which is an increase of \$47,687,050 from the same period in 2025. The Authority added \$22,880,841 of depreciable/amortizable capital assets (including donated assets, but not including depreciation) for the period ending June 30, 2026, as compared to \$15,365,613 for the same period in 2025. Accumulated depreciation increased to \$106,591,693 for the period ending June 30, 2026, as compared to \$99,312,561 for the same period in 2025.

The Authority's construction in progress at June 30, 2026 consists of several significant projects. The expansion of capacity at the Shenandoah Wastewater Treatment Plant, the Chattahoochee Raw Water Intake and Pump Station, the Chattahoochee Transmission Main Project Phases I and II, the Fayette County Booster Pump Station and system inter-connection, the sewer connection to the Twelve Parks Water Reclamation Facility, and several intersection related improvements account for the increase in projects in process. The contracts associated with these projects are reflected in the construction commitments disclosed for June 30, 2026 and 2025. The bulk of those contracts were incurred in fiscal year 2025 and continued construction throughout fiscal year 2026.

The Authority's investment in capital assets as of June 30, 2025, was \$271,930,899 net of accumulated depreciation, which is an increase of \$57,020,916 from the same period in 2024. The Authority added \$15,365,613 of depreciable/amortizable capital assets (including donated assets, but not including depreciation) for the period ending June 30, 2025, as compared to \$17,521,659 for the same period in 2024. Accumulated depreciation increased to \$99,312,561 for the period ending June 30, 2025, as compared to \$92,449,470 for the same period in 2024.

During fiscal year 2026, the Authority decreased its notes from direct borrowing by a total of \$461,281 from \$46,276,449 at June 30, 2025 to \$45,815,168 at June 30, 2026. During fiscal year 2025, the Authority increased its notes from direct borrowing by a total of \$13,839,018, from \$32,437,431 at June 30, 2024 to \$46,276,449 at June 30, 2025.

At June 30, 2026 and 2025, the Authority had multiple notes from direct borrowing issued through Georgia Environmental Finance Authority totaling \$45,815,168, and \$46,276,449, respectively. Two of the notes provided partial funding (\$35 Million total) for the expansion and improvement of the Shenandoah Wastewater Treatment Plant. When complete, the expansion project will total approximately \$59.2 Million. One note provided funding (\$7 Million) for the design and land acquisition for the Chattahoochee Raw Water Intake and Pump Station. The raw water intake and pump station project will total approximately \$31.2 Million. The final note provided funding for the advanced meter reading replacement project and repairs and replacements at the B.T. Brown Water Treatment Plant.

At June 30, 2026 and 2025, the Authority had total bonded outstanding debt of \$164,674,000, and \$167,878,000, respectively. The detail breakdown of these amounts for each bond issue is stated below:

	2026	2025
Series 2021A Refunding Revenue Bonds	\$ 40,495,000	\$ 43,590,000
Series 2021B Refunding Revenue Bonds	\$ 17,255,000	\$ 17,255,000
Series 2021D Refunding Revenue Bonds	\$ 1,962,000	\$ 1,973,000
Series 2021E Refunding Revenue Bonds	\$ 17,387,000	\$ 17,485,000
Series 2024 Revenue Bonds	\$ 87,575,000	\$ 87,575,000

During fiscal year 2025, the Authority issued Series 2021E Bonds pursuant to a forward delivery agreement dated July 8, 2021. The Series 2021E Bonds refunded a portion of the Series 2021C Bonds. The transaction was undertaken to achieve debt service savings by reducing the interest rate on a portion of the Series 2021 C Bonds to 2.38% from 3.01%.

During fiscal year 2024, the Authority issued Series 2024 Bonds in the amount of \$87,575,000 (interest at 4.0% - 5.0%). The proceeds of the issue will finance several projects – construction of Chattahoochee River Pump Station, Raw Water Transmission Main Phase 1, B.T. Brown Water Treatment Plant Improvements, and Shenandoah Wastewater Treatment Plant Improvements.

Currently Known Facts, Decisions, and Conditions

Coweta County experienced economic challenges related to the continued COVID 19 pandemic recovery, supply chain issues, materials and supply shortages, and historic inflation. Increased costs of materials and supplies impacted operations and capital projects. The Authority has continued to experience increases in costs of materials and supplies due to inflationary pressures and supply chain issues. Significant efforts have been made in the design and planning stages of the projects to mitigate the effects of these factors and to keep needed projects moving forward at the most reasonable costs attainable.

The unemployment rate in Coweta County, the State of Georgia, and the United States was directly and substantially impacted by the economic shut-down in fiscal year 2020. Recoveries experienced in 2021 and 2022 began to slow in 2023 and rates seemingly have stabilized in 2024, 2025 and 2026. According to FRED (the Federal Reserve Bank of St. Louis Economic Research website), Coweta County's unemployment remained unchanged at 3.3% in June 2026 compared to June 2025. The unemployment rate statewide in Georgia saw a slight increase to

3.4% for June 2026 from 3.3% for June 2025. Unemployment for the United States as a whole increased to 4.2% for June 2026 from 4.1% for June 2025.

According to the West Georgia Regional Update (May 2026), provided by University of West Georgia's Richards College of Business, based on first quarter 2026 employment data compared to first quarter 2025, the West Georgia Region's labor force grew slightly, with Coweta's labor force being essentially flat.

Coweta County has experienced general growth brought on by a steady increase in population over the past several years. The April 1, 2020 census showed the County's population at 146,158. According to the United States Census Bureau website, the County's July 1, 2025 population estimate was 160,240.

Despite the negative economic impacts of supply chain issues and inflation, there have been several positive business announcements in Coweta County. As noted by The West Georgia Regional Update (May 2025 and 2026), future and new developments, including the following:

- Hyundai Industrial Company, located in Newnan, announced a \$24 million investment in a new auto parts manufacturing facility
- Kaiser Permanente constructed a \$36 million medical center at Fischer Crossing, the facility opened in the summer of 2026
- Yamaha Motor Manufacturing Corp continues to work on an expansion, which is a 200,000 square foot advanced "Smart" warehouse that is expected open in 2026
- Several major residential developments (Twelve Parks, Del Webb Southern Oaks, Cresswind at Spring Haven, Chapel Hill) are planned to bring a significant number of homes to Coweta County
- A 2.1 million square foot data center, known as Project Peach, was approved for an industrial site in the northern part of Coweta County
- Several new retail and commercial openings include a new Publix anchored shopping center in Senoia
- A new Hilton Garden Inn is planned for the Ashley Park center in Newnan
- A proposed data center that would include 13 buildings on an 800-acre site in western Coweta County has received favorable rezoning and is still in development
- Several other data centers have been proposed for industrial areas throughout the Coweta County

Coweta County is well positioned for attracting industrial projects to the area with available parcels and buildings in several industrial developments including, the Coweta Industrial Park, Creekside Industrial Park, the 281-acre Orchard Hills Business Park, and the 500-acre mega-site, the Cubes at Bridgeport, which can accommodate buildings up to two million square feet.

The West Georgia Regional Update (May 2026) reported continued cooling in the housing market in the West Georgia Region. Average sales price grew by 0.8% across all six counties between August 2024 and August 2025. The average sales price of homes sold in the Coweta County in August 2025 was \$440,000, the highest average home sales price in the West Georgia Region. Houses in the region are selling for between 96% – 98% of list price, down from a peak of 101%, seen in early 2022. Average days on the market grew by 9 days for the period from August 2024 and August 2025 for the region.

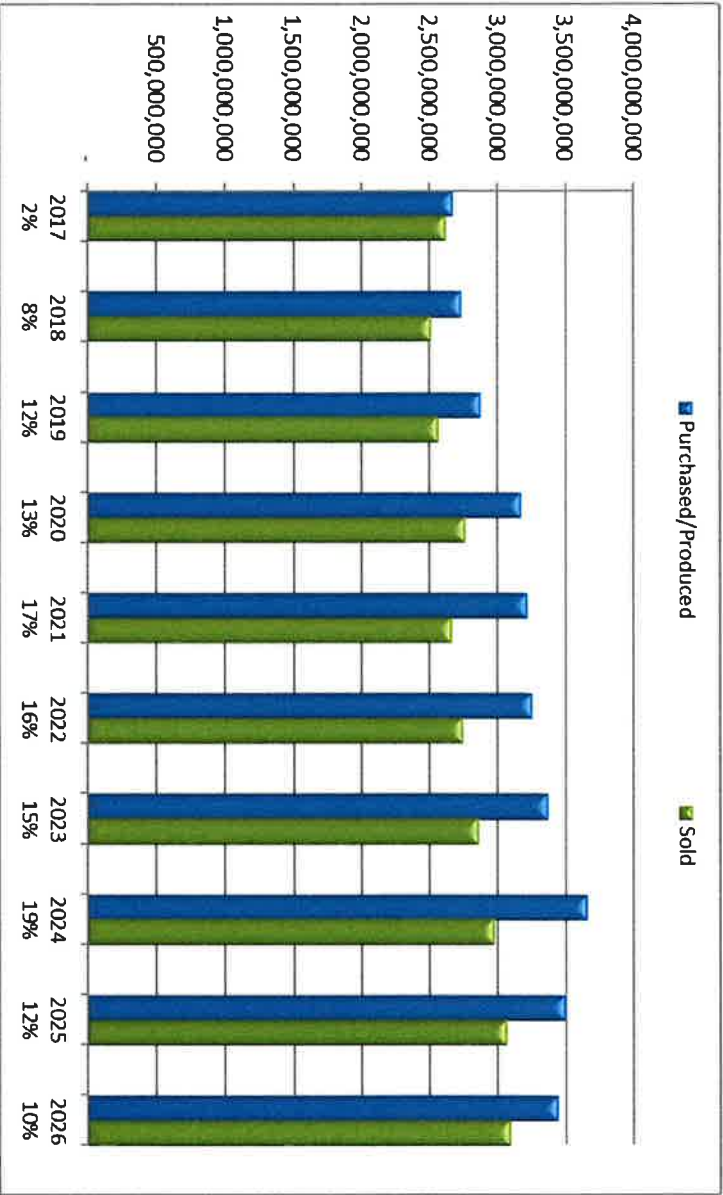
Employment in Coweta County's government sector remained strong in the first quarter of 2026. Most government workers in the county are employed by local government, specifically the Coweta County School System (the School System), which employs 3,488. The School System has reported total enrollment of 22,341 (as of August 2026) for the school system for the 2026-2027 school year. According to information provided by the School System, the four-year graduation rate is 92.4% in 2025. The School System also reports that fiscal 2025 ACT/SAT scores are above the state and national averages. Making the tenth year in a row.

According to the West Georgia Regional Update (May 2026), Coweta County benefits from an increasingly educated workforce. Estimates from the American Community Survey from 2023 indicate 34.7% of residents possess a bachelor's degree or higher and 91.9% have a high school diploma.

Water loss

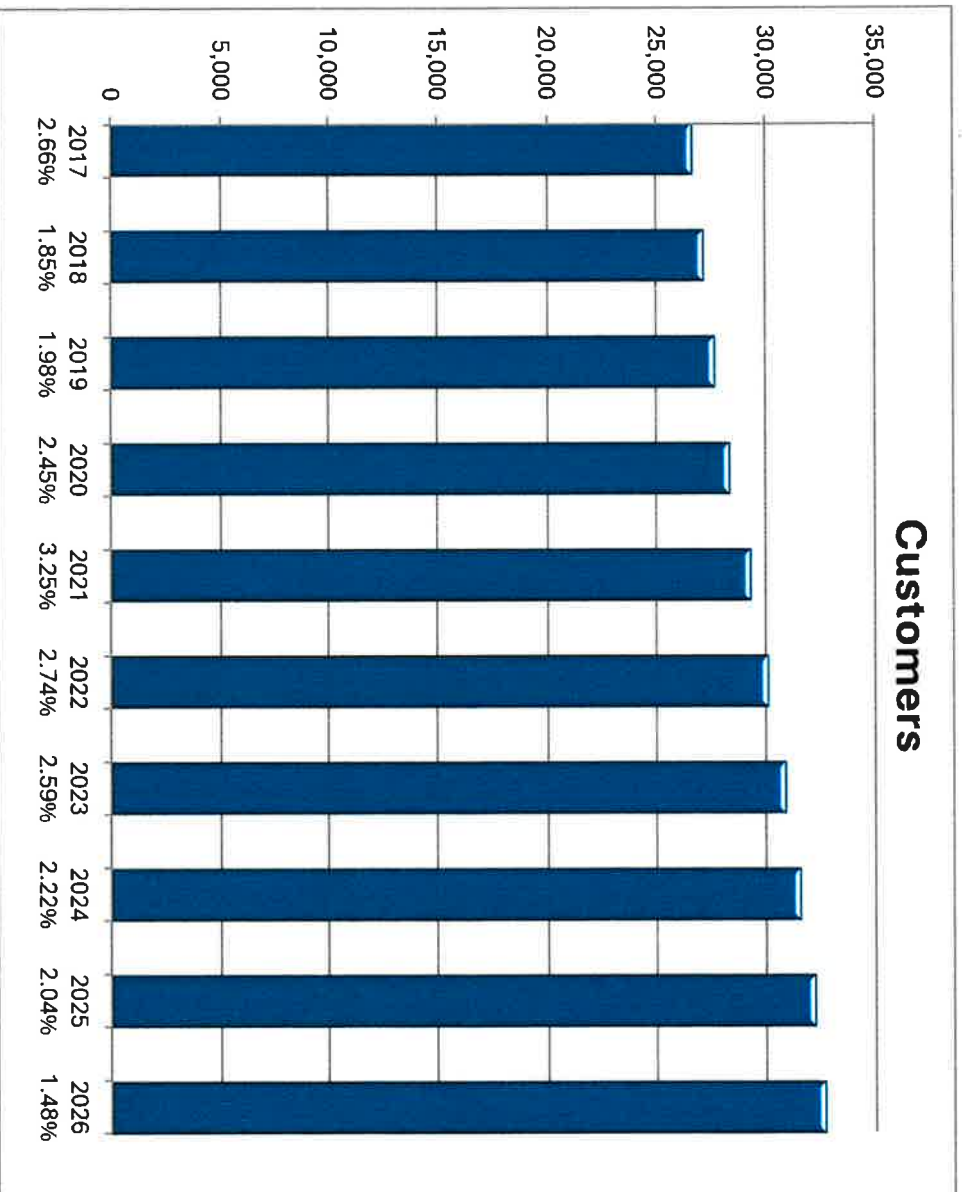
The Authority continues to maintain improvements in unaccounted water. The Authority began aggressively changing out polybutylene pipe in 2007. Beginning with fiscal year 2011, the Authority measures and includes data on system flushing, which is performed at the BT Brown Water Treatment Plant along with hydrant flushing in the County. Below is a 10-year history of water gallons purchased and produced versus sales, along with the percentage change, by fiscal year:

Water Gallons Purchased/Produced versus Sales by Fiscal Year



Historical Customer Growth

At June 30, 2026, the Authority had 32,714 customers as compared to 32,237 customers for the same period in 2025, which represents an increase of 1.48%. The graph below illustrates the Authority's customer growth and percentage change in customers for the previous 10 years.



Budgetary highlights, economic factors and next year's budget

In fiscal year 2026, the Coweta County Water and Sewerage Authority Board adopted the annual operating budget for FY27. When preparing the fiscal year 2027 budget, the Authority considered many factors, and the budget and expenditures will be monitored closely to determine if changes will need to be made as a result of changes in operations and the economy.

Looking forward

While Coweta County has experienced a steady recovery from the effects of the COVID 19 pandemic, it has certainly felt the effects of supply chain issues, materials and supply shortages, and historic inflation. The Authority is continuing efforts to manage the increased costs while providing the most efficient service to its customers and planning for infrastructure needs well into the future. Continued growth in the housing market and comparative low unemployment point to a recovery that is among the leaders in the six-county west Georgia region. The Authority is encouraged by continued inquiries regarding service for proposed new developments, including industrial, commercial, and residential. In order to meet the future demands of the proposed new developments, the Authority will be issuing revenue bonds of approximately \$63.3 million in the coming months. The Authority's vision is to be a recognized community partner and leader in water and sewer supply. Management and the Board are strong advocates of customer service and provide all necessary tools to employees to provide the very best service possible to the Authority's customers.

Request for information

This financial report provides a general overview of Coweta County Water and Sewerage Authority's finances. Questions concerning this report or requests for additional financial information can be obtained by contacting the Coweta County Water and Sewerage Authority Administration and Finance Department at the following address:

Coweta County Water & Sewerage Authority
Attn: Chief Financial Officer
545 Corinth Road
Newman, GA 30263
(770) 254-3710

BASIC FINANCIAL STATEMENTS

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
STATEMENTS OF NET POSITION
June 30, 2026 and 2025

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 49,820,053	\$ 46,324,904
Receivables		
Accounts (net)	2,058,723	2,018,217
Intergovernmental	91,990	182,361
Other	491,386	1,095,862
Lease	14,407	13,455
Inventories	998,096	995,415
Restricted assets		
Cash and cash equivalents	20,644,019	66,364,243
Prepaid items	319,796	319,974
Total current assets	74,438,470	117,334,431
Noncurrent assets		
Capital assets		
Non-depreciable	140,450,865	108,074,066
Depreciable and amortizable, net	179,167,084	163,856,833
Lease receivable	249,388	263,789
Total noncurrent assets	319,867,337	272,194,688
Total assets	394,305,807	389,529,119
DEFERRED OUTFLOW OF RESOURCES		
Deferred charge on refunding	5,847,016	6,935,483
LIABILITIES		
Current liabilities		
Payables		
Accounts	4,151,872	9,461,483
Retainage	3,785,188	4,046,221
Interest	467,946	544,127
Accrued salaries and other payroll liabilities	282,683	220,461
Compensated absences	475,579	479,823
Current liabilities payable from restricted assets		
Customer deposits	1,185,817	1,202,187
Interest	70,603	0
Lease liabilities	4,224	9,459
Notes payable	1,354,119	1,301,077
Bonds payable	3,413,000	3,204,000
Total current liabilities	15,191,031	20,468,838
Non-current liabilities		
Compensated absences	163,356	293,668
Lease liabilities	4,322	8,676
Bonds payable	165,298,601	168,871,336
Notes payable	44,461,049	44,975,372
Total non-current liabilities	209,927,328	214,149,052
Total liabilities	225,118,359	234,617,890
DEFERRED INFLOW OF RESOURCES		
Deferred inflow related to lease	224,016	242,057
NET POSITION		
Net investment in capital assets	124,509,646	114,110,127
Restricted for educational purposes	3,889	10,472
Unrestricted	50,296,913	47,484,056
Total net position	\$ 174,810,448	\$ 161,604,655

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

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2026 and 2025

	2026	2025
OPERATING REVENUES		
Charges for sales and services	\$ 39,450,232	\$ 38,332,682
Water and sewer sales	1,465,812	1,931,917
Tap fees	18,042	18,042
Lease revenue	3,500,435	3,439,603
Other charges for services		
Total operating revenues	<u>44,434,521</u>	<u>43,722,244</u>
OPERATING EXPENSES		
Cost of sales and services	14,872,190	14,853,773
Personal services	11,429,713	10,858,201
Depreciation and amortization	7,570,500	7,007,101
Total operating expenses	<u>33,872,403</u>	<u>32,719,075</u>
Operating income (loss)	<u>10,562,118</u>	<u>11,003,169</u>
OTHER NONOPERATING REVENUES (EXPENSES)		
Interest revenue	3,558,556	5,824,025
Interest expense	(7,454,636)	(7,611,176)
Gain (loss) on disposition of capital assets	118,665	50,990
Bond issue costs	0	(150,000)
Capital contributions	6,421,090	10,636,371
Total other non-operating revenues (expenses)	<u>2,643,675</u>	<u>8,750,210</u>
Change in net position	13,205,793	19,753,379
Net position, July 1	161,604,655	141,851,276
Net position, June 30	<u><u>\$ 174,810,448</u></u>	<u><u>\$ 161,604,655</u></u>

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

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Receipts from customers	\$ 44,964,079	\$ 42,997,198
Payments to suppliers	(14,648,425)	(14,861,573)
Payments to employees	(11,502,047)	(10,949,160)
Net cash provided (used) by operating activities	<u>18,813,607</u>	<u>17,186,465</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	118,755	55,001
Interest paid	(6,371,746)	(6,537,935)
Receipts from other governments	182,361	5,890,163
Payments for acquisitions of capital assets	(42,940,846)	(41,703,042)
Payment of capital related accounts payable	(7,646,394)	(7,834,484)
Payment of capital related retainages payable	(4,046,221)	(1,818,128)
Payment of debt issue costs	0	(150,000)
Proceeds from issuance of notes payable	747,806	14,392,627
Principal payments - bonds payable	(3,204,000)	(3,113,000)
Principal payments - notes payable	(1,301,077)	(735,970)
Principal payments - leases payable	(9,589)	(9,822)
Receipts on lease receivable	<u>13,449</u>	<u>12,541</u>
Net cash provided (used) by capital and related financing activities	<u>(64,457,502)</u>	<u>(41,552,049)</u>
Cash flows from investing activities:		
Interest received	<u>3,398,820</u>	<u>5,664,289</u>
Net increase (decrease) in cash and cash equivalents	(42,245,075)	(18,701,295)
Cash and cash equivalents, July 1	<u>112,709,147</u>	<u>131,410,442</u>
Cash and cash equivalents, June 30	<u><u>\$ 70,464,072</u></u>	<u><u>\$ 112,709,147</u></u>

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

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2026 and 2025

	2026	2025
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 10,562,118	\$ 11,003,169
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	7,570,500	7,007,101
Lease revenue	(18,042)	(18,042)
(Increase) decrease in accounts receivable	563,970	(628,804)
(Increase) decrease in prepaid items	178	(19,551)
(Increase) decrease in inventory	(2,681)	(64,925)
Increase (decrease) in accounts payable	226,268	76,676
Increase (decrease) in payroll liabilities	(72,334)	(90,959)
Increase (decrease) in deposits payable	(16,370)	(78,200)
Total adjustments	8,251,489	6,183,296
Net cash provided (used) by operating activities	<u>\$ 18,813,607</u>	<u>\$ 17,186,465</u>
Cash and cash equivalents reconciliation:		
Cash and cash equivalents	\$ 49,820,053	\$ 46,324,904
Restricted cash	20,644,019	66,384,243
Total cash and cash equivalents	<u>\$ 70,464,072</u>	<u>\$ 112,709,147</u>
Noncash investing, capital and financing activities:		
Contributions of capital assets	\$ 6,421,090	\$ 10,636,371
Acquisition of capital assets through accounts payable	\$ 2,110,516	\$ 7,646,394
Acquisition of capital assets through retainage payable	\$ 3,785,188	\$ 4,046,221
Receivable on promissory notes payable	\$ 91,990	\$ 182,361

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

1. Description of Authority

On March 20, 2001, the General Assembly of the State of Georgia approved enabling legislation to create the Coweta County Water & Sewerage Authority (the Authority). Prior to May 1, 2007, the operating activities of the water and sewerage system of Coweta County were reported in the Water and Sewer Fund of Coweta County, Georgia. On May 1, 2007, the Authority began operations as a separate entity. The purpose of the Authority is to manage the water and sewer systems of Coweta County, Georgia. The Authority is empowered to do all things necessary to accomplish this goal.

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 more significant accounting policies of the Authority are described below.

2. Summary of Significant Accounting Policies

A. Basis of Presentation

The statement of net position and the statement of revenues, expenses, and changes in net position display information in the format of a business type activity. Such activities are financed through exchange transactions, including charges for services, in whole or in part by fees charged to each participant for water and sewer services. Exchange transactions are those in which each party receives and gives up essentially equal value.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

The financial statements present the Authority as a business-type activity in accordance with Governmental Accounting Standards Board Statement No. 34.

In defining the Authority for financial reporting purposes, Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus* – an amendment of GASB Statements No. 14 and No. 34, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, establishes the basis for the reporting entity and whether it is considered a component unit of another entity and whether other entities are component units. Review of these statements has resulted in the conclusion that the Authority is considered to be a component unit of Coweta County, Georgia. There are also no entities that are considered to be component units of the Authority.

A financial burden or benefit relationship exists between the entities. The County appoints all board members of the Authority. The Authority and Coweta County, Georgia have entered into an intergovernmental agreement whereby the County has provided the pledging of the full faith and credit for all the GEFA loans. The Agreement represents a general obligation of the County to which its full faith and credit are pledged.

C. Fund Financial Statements

The Authority is accounted for as an enterprise fund on a flow of economic resources measurement focus. The accounting objective is a determination of net income, financial position, and changes in cash flow. All assets and liabilities associated with the Authority's activities are included in its statement of net position.

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods and services to the general public on a continuing basis are to be financed or recovered primarily through user charges.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the Authority is considered a special-purpose government engaged only in business-type activities. Accordingly, the Authority's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Non-operating revenues and expenses, such as subsidies received and provided, revenue and expense related to financing, resources resulted from the disposal of capital assets and inventory, contributions of water and sewer infrastructure received from developers, and investment income and expenses. All revenues and expenses not meeting this definition are reported as operating revenues and expenses. Operating revenues for enterprise funds include charges for water and sewer services, tap fees, lease revenue and other charges for services. Operating expenses for enterprise funds include the cost of sales and services, personal services, and depreciation on capital assets.

E. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes cash on hand, demand deposits at financial institutions, certificates of deposits with a maturity of one year or less, and money market investments.

All cash, cash equivalents, and investments are reported at fair value except for investments in money market funds. The Authority reports money market fund investments using net asset value (NAV) when NAV is calculated in a manner consistent with fair value measurement guidelines, fair value is not readily determinable, and it is not probable for the investment to be sold at an amount other than NAV. The fund's net asset value (NAV) is equal to the market value of its investments and other assets, less any liabilities, divided by the number of fund shares. The fund's NAV is normally expected to be \$1 per share.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

F. Receivables and Revenue Recognition

The Authority bills its customers on a cyclical basis throughout the month based on meter readings taken during the month. The Authority records receivables at the amount it expects to collect on balances due at the end of the year. Advance deposits are obtained from customers, but the Authority does not obtain collateral or other security for any of its trade accounts or other amounts receivable. Accordingly, it is exposed to credit losses in the event of nonperformance. Management closely monitors outstanding balances and writes off uncollectible amounts as of year-end in accordance with approved policies.

Billed accounts receivable represent charges for customer water and wastewater treatment usage billed to customers and not paid at June 30. Unbilled accounts receivable represent charges billed to customers after June 30 for services provided by the Authority prior to July 1.

G. Lease Receivable

The Authority's lease receivable is measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond reporting year are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expense in the year in which services are consumed.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

I. Inventories

Inventories are stated at the lower of cost or net realizable value. They are expensed when used and recognized on a first in-first out basis.

J. 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority reports deferred outflows of resources for deferred charges on bond 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 using the straight-line method over the shorter of the life of the refunded or refunding debt.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred inflows of resources related to leases.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value. The Authority's infrastructure consists of treatment facilities and water and sewer lines. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. All reported capital assets are depreciated except for land, rights-of-way, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Authority's historical records of necessary improvements and replacement.

The Authority has recorded intangible right-to-use assets as a result of implementing GASB Statement No. 87, *Leases*. The assets are initially measured at an amount equal to the initial measurement of the related lease or subscription liability plus any payments made prior to the lease or subscription term, less lease or subscription incentives, and plus ancillary charges necessary to place the lease or subscription into service. The intangible right-to-use assets are amortized on a straight-line basis over the shorter of the estimated useful life of the underlying asset or life of the related lease or subscription.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Site improvements	25-50	\$ 5,000
Infrastructure – Water and Sewer	50	\$ 5,000
Buildings	50	\$ 5,000
Machinery and equipment	10	\$ 5,000
Furniture and fixtures	5-20	\$ 5,000
Vehicles	5	\$ 5,000
Intangibles	3-36	\$ 5,000
Software	5-10	\$ 5,000
Intangible right-to-use assets		
Equipment	3-36	\$ 5,000

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

L. Intangible Assets

The Authority participates in a water purchase agreement with the City of Griffin, Georgia. This agreement requires the Authority to purchase certain minimum amounts of water over a period of years. The Authority entered into the agreement on December 14, 1999. It was modified by mutual agreement on September 11, 2012. The Authority made a payment in the amount of \$9,000,000 in exchange for a modification of the minimum amounts of water it must take from July 1, 2012 through the end of the contract. The payments made helped to fund improvements to the regional water supply system. The amount paid for the contract modification is recorded as an intangible asset and treated in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.

M. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets also represent cash and cash equivalents restricted for educational purposes, unspent bond proceeds for construction projects, and repayment of deposits to utility customers.

N. Compensated Absences

In accordance with Governmental Accounting Standards Board Statement No. 101, it is the Authority's policy to permit employees to accumulate earned but unused paid time off (PTO) pay benefits up to 600 hours per employee. Half (50%), up to 300 hours, of the accrued PTO will be paid to the employees upon separation from Authority service. Accumulated unpaid PTO amounts are accrued when incurred by the Authority in the financial statements. The liability is recorded as an expense and a liability of the fund as the benefits accrue to the employees.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

O. Bond Issuance Costs, Bond Discounts, and Bond Premiums

The Authority accounts for bond issuance costs in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Bond insurance is recorded as a deferred charge under the caption, Prepaid items and amortized over the life of the bond. Bond premiums and discounts are recorded as an addition or reduction to the face amount of the bonds and amortized over the life of the bond. Amortization of bond premiums and discounts is computed using the effective interest method over the life of the bond issue for which the charges have been deferred and reported as a component of interest expense.

P. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other components of net position are reported as unrestricted.

The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

Q. Capital Contributions

The Authority receives contributions of capital assets from developers in the form of donated water and sewer lines which are taken on by the Authority as part of the distribution system. Contributions to the Authority are recorded as an asset and as non-operating revenue.

R. 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 these estimates.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

2. Summary of Significant Accounting Policies (continued)

5. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the financial statements in order to provide an understanding of changes in the Authority's financial position and operations. Certain prior year amounts have been reclassified to conform to the current year presentation.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be recovered. State statutes require all deposits and investments be federally insured or fully collateralized. At June 30, 2026 and 2025, the Authority had no uninsured or uncollateralized deposits.

Interest Rate Risk

The Authority does not have a formal investment interest rate policy to manage its exposure to fair value losses arising from increasing interest rates. Generally, investments with longer maturities are more sensitive to changes in market interest rates. The Authority limits investment maturities to one year or less to manage its exposure to fair values from increasing interest rates.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The Authority has not adopted a formal credit risk policy.

Concentration of Credit Risk

The Authority has not adopted a formal concentration of credit risk policy but it does monitor the credit worthiness of each institution at least annually.

Foreign currency risk

The Authority has no investments denominated in a foreign currency.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

3. Deposit and Investment Risk (continued)

The Authority invests its Series 2024 bonds project fund in First American Funds Government Obligations money market fund. The fund utilizes amortized cost method of valuation to transact at a \$1.00 share price. The fund's net asset value (NAV) is equal to the market value of its investments and other assets, less any liabilities, divided by the number of fund shares. The fund's NAV is normally expected to be \$1 per share. The fund has no limitations or restrictions on withdrawals and can be removed at any time; therefore, classified as a cash equivalent for financial statement presentation. At June 30, 2026 and 2025, the Authority's balance in the fund was \$19,383,710 and \$65,171,584, respectively.

4. Accounts Receivable

Accounts receivable consist of the following at June 30:

	<u>2026</u>	<u>2025</u>
Water and Sewer Customers	\$ 2,552,994	\$ 2,467,013
Less: Allowance for Uncollectible Accounts	<u>(494,271)</u>	<u>(448,796)</u>
	<u>\$ 2,058,723</u>	<u>\$ 2,018,217</u>

5. Intergovernmental Receivables

Intergovernmental receivables consist of reimbursement requests submitted to Georgia Environmental Finance Authority (GEFA) but not yet received at June 30, 2026 and 2025, in the amount of \$91,990 and \$182,361, respectively. Intergovernmental receivables are considered fully collectible; therefore, no allowance for doubtful accounts has been established.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

6. Lease Receivable

The Authority has one lease agreement with Skyway Towers, LLC to lease a tract of land to accommodate the tenant's cell tower. The term of the lease is five years with four five-year successive renewal options. The lease matures on December 31, 2039. An initial lease receivable was recorded in the amount of \$331,575 on July 1, 2020 to implement GASB Statement No. 87, Leases. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term. The value of the lease receivable was \$263,795 and \$277,244 at June 30, 2026 and 2025, respectively. The lessee is required to make monthly payments ranging from \$1,432 to \$2,440. Lease payments increase 3% each year on the anniversary of the commencement date of the lease. The interest rate on the lease is 2.5%. The value of the deferred inflow of resources was \$224,016 and \$242,057 at June 30, 2026 and 2025, respectively. The Authority recognized lease revenue of \$18,042 and interest revenue of \$6,779 on the lease for the year ended June 30, 2026. The Authority recognized lease revenue of \$18,042 and interest revenue of \$7,104 on the lease for the year ended June 30, 2025.

The annual requirements to amortize the lease receivable as of June 30, 2026 are as follows:

	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	<u>2027</u>	<u>\$ 14,407</u>	<u>\$ 6,432</u>	<u>\$ 20,839</u>
	2028	15,403	6,061	21,464
	2029	16,444	5,664	22,108
	2030	17,531	5,241	22,772
	2031	18,665	4,789	23,454
	2032-2036	112,133	16,122	128,255
	2037-2039	69,212	2,283	71,495
	Totals	<u>\$ 263,795</u>	<u>\$ 46,592</u>	<u>\$ 310,387</u>

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

7. Capital Assets

Capital asset activity for the year ended June 30, 2026 was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Non-depreciable assets:				
Land	\$ 9,610,057	\$ 0	\$ 0	\$ 9,610,057
Construction in progress	98,464,009	47,930,877	(15,554,078)	130,840,808
Total nondepreciable assets	108,074,066	47,930,877	(15,554,078)	140,450,865
Depreciable/amortizable capital assets:				
Site improvements	7,454,087	0	0	7,454,087
Infrastructure - water	154,118,207	20,996,010	0	175,114,217
Infrastructure - sewer	43,690,817	1,212,590	0	44,903,407
Buildings	38,494,782	0	0	38,494,782
Machinery and equipment	4,760,509	360,303	(28,491)	5,092,321
Furniture and fixtures	735,613	0	0	735,613
Vehicles	3,793,281	311,938	(262,967)	3,842,252
Intangibles				
Water purchase agreement	9,000,000	0	0	9,000,000
Software	711,027	0	0	711,027
Capitalized interest	369,258	0	0	369,258
Intangible right-to-use assets				
Equipment	41,813	0	0	41,813
Total depreciable/amortizable assets	263,169,394	22,880,841	(291,458)	285,758,777
Less accumulated depreciation/amortization				
Site improvements	(2,898,837)	(366,943)	0	(3,265,780)
Infrastructure - water	(62,673,582)	(4,209,690)	0	(66,883,272)
Infrastructure - sewer	(9,118,549)	(968,796)	0	(10,087,345)
Buildings	(14,169,300)	(764,133)	0	(14,933,433)
Machinery and equipment	(3,224,189)	(461,016)	28,491	(3,656,714)
Furniture and fixtures	(552,261)	(71,021)	0	(623,282)
Vehicles	(2,583,311)	(440,875)	262,877	(2,761,309)
Intangibles				
Water purchase agreement	(3,187,500)	(250,000)	0	(3,437,500)
Software	(655,358)	(21,549)	0	(676,907)
Capitalized interest	(225,247)	(7,385)	0	(232,632)
Intangible right-to-use assets				
Equipment	(24,427)	(9,092)	0	(33,519)
Total accumulated depreciation/amortization	(99,312,561)	(7,570,500)	291,368	(106,591,693)
Total depreciable/amortizable assets, net	163,856,833	15,310,341	(90)	179,167,084
Capital assets, net	\$ 271,930,899	\$ 63,241,218	\$ (15,554,168)	\$ 319,617,949

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

7. Capital Assets (continued)

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance Beginning	Increases	Decreases	Balance Ending
Non-depreciable assets:				
Land	\$ 9,474,252	\$ 135,805	\$ 0	\$ 9,610,057
Construction in progress	49,933,399	52,262,060	(3,731,450)	98,464,009
Total nondepreciable assets	59,407,651	52,397,865	(3,731,450)	108,074,066
Depreciable/amortizable capital assets:				
Site improvements	7,332,525	121,562	0	7,454,087
Infrastructure - water	144,600,409	9,517,798	0	154,118,207
Infrastructure - sewer	38,780,546	4,910,271	0	43,690,817
Buildings	38,430,782	64,000	0	38,494,782
Machinery and equipment	4,422,836	437,663	(99,990)	4,760,509
Furniture and fixtures	687,218	48,395	0	735,613
Vehicles	3,575,388	265,924	(48,031)	3,793,281
Intangibles				
Water purchase agreement	9,000,000	0	0	9,000,000
Software	711,027	0	0	711,027
Capitalized interest	369,258	0	0	369,258
Intangible right-to-use assets				
Equipment	41,813	0	0	41,813
Total depreciable/amortizable assets	247,951,802	15,365,613	(148,021)	263,169,394
Less accumulated depreciation/amortization				
Site improvements	(2,550,927)	(347,910)	0	(2,898,837)
Infrastructure - water	(58,882,434)	(3,791,148)	0	(62,673,582)
Infrastructure - sewer	(8,247,958)	(870,591)	0	(9,118,549)
Buildings	(13,406,808)	(762,492)	0	(14,169,300)
Machinery and equipment	(2,886,027)	(438,152)	99,990	(3,224,189)
Furniture and fixtures	(479,736)	(72,525)	0	(552,261)
Vehicles	(2,195,081)	(432,250)	44,020	(2,583,311)
Intangibles				
Water purchase agreement	(2,937,500)	(250,000)	0	(3,187,500)
Software	(630,639)	(24,719)	0	(655,358)
Capitalized interest	(217,862)	(7,385)	0	(225,247)
Intangible right-to-use assets				
Equipment	(14,498)	(9,929)	0	(24,427)
Total accumulated depreciation/amortization	(92,449,470)	(7,007,101)	144,010	(99,312,561)
Total depreciable/amortizable assets, net	155,502,332	8,358,512	(4,011)	163,856,833
Capital assets, net	\$ 214,909,983	\$ 60,756,377	\$ (3,735,461)	\$ 271,930,899

Note 1: Beginning balances of capital assets and accumulated depreciation/amortization have been reclassified due to the implementation of GASB 104. See Note 14 for additional details.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

8. Long-Term Debt

Notes from Direct Borrowing

The Authority has a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$8,800,000 for its advance meter reading replacement project and to repair and replace various components of the BT Brown Water Treatment Plant. The Authority has drawn \$8,800,000 on this agreement and recognized \$750,000 in principal forgiveness for a net total loan amount of \$8,050,000; monthly principal and interest payments of \$36,628; interest at 0.89%. The outstanding balance at June 30, 2026 and 2025 was \$7,245,474 and \$7,618,721, respectively.

The Authority has a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$25,000,000 to increase capacity and to make improvements at the Shenandoah Wastewater Treatment Facility. Interest payments are due each month in the drawdown phase of the loan until the earlier of completion of the project or July 1, 2024 or all loan funds have been disbursed; interest at 0.86%. After the drawdown phase of the agreement, monthly principal and interest payments will be payable in 359 equal installments of \$78,812. During the previous fiscal year, the Authority drew down the remaining funds and began making monthly principal and interest payments. The outstanding balance at June 30, 2026, and 2025 was \$23,897,176 and \$24,633,971, respectively.

The Authority has a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$10,000,000 to increase capacity and to make improvements at the Shenandoah Wastewater Treatment Facility. Interest payments are due each month in the drawdown phase of the loan until the earlier of completion of the project or July 1, 2025; interest at 2.42%. Monthly principal and interest payments will be payable in 359 equal installments of \$39,097. During the prior fiscal year, the Authority drew down all of the available funds. The Authority began making monthly principal and interest payments in September 2025. The outstanding balance at June 30, 2026 and 2025 was \$9,808,965 and \$10,000,000, respectively.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

8. Long-Term Debt (continued)

Notes from Direct Borrowing, continued

The Authority has a direct borrowing agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$7,000,000 to plan, design, and acquisition of land for new water withdrawal pumping station on the Chattahoochee River. Interest payments are due each month in the drawdown phase of the loan until the earlier of completion of the project or August 31, 2026, or all loan funds have been disbursed; interest at 0.86%. After the drawdown phase of the agreement, monthly principal and interest payments will be payable in 359 equal installments (amount to be determined on the commencement date). This note is still in drawdown phase at June 30, 2026; therefore not included in the payoff schedule below. The outstanding balance at June 30, 2026 and 2025 was \$4,863,553 and \$4,023,757, respectively.

All direct borrowing agreements with GEFA, are secured by the full faith, credit, and revenue-raising power of the Authority, including all revenues on fees and charges collected by the Authority. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable.

Annual debt service requirements to maturity for notes from direct borrowing are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 1,354,119	\$ 500,331	\$ 1,854,450
2028	1,369,636	484,814	1,854,450
2029	1,385,379	469,071	1,854,450
2030	1,401,352	453,098	1,854,450
2031	1,417,559	440,347	1,857,906
2032-2036	7,339,415	1,935,938	9,275,353
2037-2041	7,782,356	1,523,101	9,305,457
2042-2046	7,298,784	1,034,143	8,332,927
2047-2051	6,485,605	588,977	7,074,582
2052-2055	5,117,410	147,577	5,264,987
Totals	\$ 40,951,615	\$ 7,577,397	\$ 48,529,012

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

8. Long-Term Debt (continued)

Revenue Bonds

The Authority issues bonds to construct and maintain the water and sewerage system of Coweta County, Georgia. Revenue bonds issued are comprised of the following individual issues at the end of the current fiscal year:

Revenue Bonds, Series 2021A, original issue of \$55,000,000, Series 2021B, original issue of \$17,255,000, and Series 2021C and Series 2021D original issue in the aggregate of \$22,803,000; due in semi-annual installments of \$50,000 to \$5,230,000 commencing December 1, 2021 through June 1, 2046; interest at 2.0% to 3.01%. During fiscal year 2025, the Authority issued Series 2021E Bonds pursuant to a forward delivery agreement dated July 8, 2021. The Series 2021E Bonds refunded the Series 2021C Bonds and reduced the interest rate to 2.38% from 3.01%. At June 30, 2026 and 2025, the outstanding balances were \$77,099,000 and \$80,303,000, respectively. The proceeds were used to refund the 2005, 2014, 2015, 2016, 2017, 2019 Series Revenue Bonds. Each Series of the Revenue Bonds contain a provision that, in an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The principal and interest of the bonds are secured by pledged revenues of the water and sewer system. Under the terms of the bond resolution, the bonds are secured by a pledge of and lien on the revenues derived by the Authority. At June 30, 2026 and 2025, the Authority had approximately \$31,265,000 and \$33,960,000 of bonds that are legally defeased and remain outstanding, respectively.

Revenue Bonds, Series 2024, original issue at \$87,575,000, due in semi-annual installments of \$145,000 to \$5,150,000 commencing June 1, 2027 through June 1, 2057; interest at 4.0% to 5.0%. At June 30, 2026 and 2025, the outstanding balances were \$87,575,000 and 87,575,000, respectively. The proceeds of the issue will finance several projects – construction of Chattahoochee River Pump Station, Raw Water Transmission Main Phase 1, B.T. Brown Water Treatment Plant Improvements, and Shenandoah Wastewater Treatment Plant Improvements. The Revenue Bonds, Series 2024, contain a provision that, in an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The principal and interest of the bonds are secured by pledged revenues of the water and sewer system. Under the terms of the bond resolution, the Series 2024 Bonds are secured by a pledge of and lien on the revenues derived by the Authority.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

8. Long-Term Debt (continued)

Revenue Bonds, continued

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 3,413,000	\$ 5,914,252	\$ 9,327,252
2028	3,484,000	5,841,226	9,325,226
2029	3,561,000	5,766,620	9,327,620
2030	3,639,000	5,690,160	9,329,160
2031	3,714,000	5,611,847	9,325,847
2032-2036	19,870,000	26,766,206	46,636,206
2037-2041	22,498,000	24,136,180	46,634,180
2042-2046	25,530,000	21,125,581	46,655,581
2047-2051	30,790,000	15,846,750	46,636,750
2052-2056	39,230,000	7,402,013	46,632,013
2057	8,945,000	380,163	9,325,163
Totals	\$ 164,674,000	\$ 124,480,998	\$ 289,154,998

The Authority's revenue bonds are obligations of the Authority payable solely from and secured by a pledge of and lien on all operating revenues derived by the Authority from the ownership and operation of its water and sewer system after the payment of expenses of operating and maintaining the system. These revenues are pledged to secure the revenue bonds of the Authority until such time that all outstanding principal has been satisfied on the bonds. Net revenues include operating revenues less operating expenses, excluding depreciation and amortization. For the years ended June 30, 2026 and 2025, net revenues totaled \$18,132,618 and \$18,010,270, and debt service related to the revenue bonds totaled \$9,177,366 and \$9,458,024, respectively.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

8. Long-Term Debt (continued)

Leases

The Authority entered into four agreements to lease copier equipment. The lease agreements qualify as other than short-term leases under GASB Statement No. 87, *Leases*, and have been recorded at the present value of the future minimum lease payments at their inception. Lease liabilities are comprised of four copier equipment leases due in monthly installments of principal and interest of \$125 to \$369 through March 2029, interest at 2.5% to 4.00%. At June 30, 2026 and 2025, the outstanding balances were \$8,546 and \$18,135, respectively.

Annual debt service requirements to maturity for leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	\$ 4,224	\$ 260	\$ 4,484
2028	2,621	139	2,760
2029	1,701	31	1,732
Totals	<u>\$ 8,546</u>	<u>\$ 430</u>	<u>\$ 8,976</u>

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

9. Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the Authority for year ended June 30, 2026:

	Balance Beginning	Additions	Deductions	Balance Ending	Due Within One Year
Revenue bonds	\$ 167,878,000	\$ 0	\$ (3,204,000)	\$ 164,674,000	\$ 3,413,000
Unamortized bond premium	4,197,336	0	(159,735)	4,037,601	0
Notes from direct borrowings	46,276,449	839,796	(1,301,077)	45,815,168	1,354,119
Leases	18,135	0	(9,589)	8,546	4,224
Compensated absences	773,491	0	(134,556)	638,935	475,579
Total	<u>\$ 219,143,411</u>	<u>\$ 839,796</u>	<u>\$ (4,808,957)</u>	<u>\$ 215,174,250</u>	<u>\$ 5,246,922</u>

The following is a summary of changes in long-term liabilities of the Authority for year ended June 30, 2025:

	Balance Beginning	Additions	Deductions	Balance Ending	Due Within One Year
Revenue bonds	\$ 170,991,000	\$ 0	\$ (3,113,000)	\$ 167,878,000	\$ 3,204,000
Unamortized bond premium	4,357,072	0	(159,736)	4,197,336	0
Notes from direct borrowings	32,437,431	14,574,988	(735,970)	46,276,449	1,301,077
Leases	27,957	0	(9,822)	18,135	9,459
Compensated absences	766,241	7,250	0	773,491	479,823
Total	<u>\$ 208,579,701</u>	<u>\$ 14,582,238</u>	<u>\$ (4,018,528)</u>	<u>\$ 219,143,411</u>	<u>\$ 4,994,359</u>

Note 1: The additions/deductions noted for compensated absences reflect the net change for the period.

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. The total interest incurred and charged to expense for the years ended June 30, 2026 and 2025 was \$7,454,636 and \$7,611,176, respectively.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

10. Net Investment in Capital Assets

The net investment in capital assets reported on the statement of net position is calculated as follows for the fiscal years ended June 30:

	2026	2025
Cost of capital assets	\$ 426,209,642	\$ 371,243,460
Accumulated depreciation/amortization	(106,591,693)	(99,312,561)
Book value	319,617,949	271,930,899
Construction accounts and retainage payable	(5,895,704)	(11,692,615)
Leases payable	(8,546)	(18,135)
Notes payable	(45,815,168)	(46,276,449)
Revenue bonds payable	(168,711,601)	(172,075,336)
Proceeds not received on notes from direct borrowings	91,990	134,696
Net deferred amounts on refunding	5,847,016	6,935,483
Unspent bond proceeds	19,383,710	65,171,584
Net investment in capital assets	<u>\$ 124,509,646</u>	<u>\$ 114,110,127</u>

11. Retirement Plans

On January 1, 2012, the Authority created a defined contribution plan. The plan is managed by Empower Retirement. The Board of the Authority has established the benefit terms and has the ability to amend them from time to time. Participants become vested in employer contributions at a rate of 20% per year over a five year vesting period. The employees are 100% vested on their elective deferral contributions. The Authority contributes 3% of all eligible employee's salary. In addition, the Authority matches employees' contributions up to 3.5% of compensation. If employee contributions exceed 3.5%, the next 4% of contributions are matched 50%. The Authority has the ability to make additional discretionary contributions from time to time. During the fiscal years ended June 30, 2026 and 2025, employer contributions to the plan were \$645,604 and \$616,379, respectively. During the fiscal years ended June 30, 2026 and 2025, employee contributions to the plan were \$480,614 and \$445,294, respectively.

**COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025**

12. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority has elected to manage its risk financing activities through the purchase of commercial insurance. Management believes that the coverage is adequate to preclude any significant uninsured risk to the Authority.

There have been no insurance settlements exceeding insurance coverage for any of the past three fiscal years.

Health Insurance

The Authority purchases health insurance coverage for its employees from a commercial carrier. The Authority's liability is limited to the amount of premiums paid.

Worker's Compensation

The Authority purchases, worker's compensation insurance coverage for its employees from a commercial carrier. The coverage provided is equal to the statutory limits and benefits required by the laws of the State of Georgia. The policy pays all claims in excess of \$2,500 per claim deductible. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceeded the Authority's insurance coverage in the past year.

13. Commitments and Contingencies

Commitments

The Authority has active construction projects as of June 30, 2026 and 2025. The Authority has committed to spending an additional \$23,800,070 and \$58,939,684, respectively, on several construction projects currently in progress.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

13. Commitments and Contingencies (continued)

Water Purchases

The Authority has entered into contracts with four jurisdictions for the wholesale purchase of water.

On February 8, 2019, the Authority entered into a contract with Newman Utilities that requires the purchase of varying amounts of water until February 7, 2029. For the period from February 8, 2020 to February 7, 2021, the Authority must purchase a minimum 2.4 million gallons per day (MGD). Beginning February 8, 2021 until February 7, 2022, the amount decreases to 1.8 MGD. Beginning February 8, 2022 until the end of the agreement on February 7, 2029, the amount decreases to 1.25 MGD. For the year ended June 30, 2026, purchases under this contract amounted to 456,250,000 gallons and totaled \$1,181,688. For the year ended June 30, 2025, purchases under this contract amounted to 456,250,000 gallons and totaled \$1,181,688. At June 30, 2026 and 2025, the rate charged under the agreement was \$2.59 per 1,000 gallons.

The Authority has a contract with the City of Griffin, Georgia which requires the purchase of varying amounts of water until the year 2049. The contract was revised through mutual agreement of the parties on September 11, 2012. For the year ended June 30, 2026, purchases under this contract amounted to 1,820,000,000 gallons and totaled \$6,156,192. For the year ended June 30, 2025, purchases under this contract amounted to 1,835,000,000 gallons and totaled \$6,303,492. The required purchases under this contract are for 3.0 million gallons per day (MGD) from July 1, 2012 through June 30, 2022. Required purchases then increase to 5.0 MGD from July 1, 2022 through December 31, 2049. Rates are adjusted on an annual basis as set forth in the contract. At June 30, 2026 and 2025, the rate charged under the agreement was \$3.27 per 1,000 gallons and \$3.42 per 1,000 gallons, respectively.

On April 14, 2022, the Authority entered into a contract with Fayette County, Georgia that requires the purchase of an average annual water volume of 1.0 mgd. The agreement is for an initial term of five years, with the option for a one-year renewal term if both parties agree in writing. In order to begin withdrawal, the Authority had to construct a pump station and place it into service, which occurred during the current fiscal year. For the year ended June 30, 2026, purchases under this contract amounted to 66,603,870 gallons and totaled \$209,802. At June 30, 2026, the rate charged under the agreement was \$3.15 per 1,000 gallons.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025

13. Commitments and Contingencies (continued)

Water Purchases, continued

During the previous fiscal year, the Authority had a contract with the City of Atlanta that allowed for the purchase of up to 6.6 million gallons per day. No minimum purchase was required under the agreement. During the current fiscal year, this contract was terminated.

Related Parties

At the time of separation from Coweta County, Georgia, the Authority retained three (3) employees that qualified for the Coweta County, Georgia's post-retirement plan. The Authority does not have a post-retirement plan, therefore the Authority agreed to reimburse Coweta County, Georgia the pro-rata share of the retirees post-retirement health care cost. The Authority's unknown liability will be limited to the pro-rata share of the actual premiums charged.

Contingencies

The Authority's legal counsel has stated that there are presently no determinable lawsuits.

14. New Accounting Standards

The Authority implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for the Authority's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2025. The changes primarily relate to the presentation and classification of certain financial statement information and disclosures. The implementation of this standard had no impact on the Authority's net position.

The Authority implemented GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for the Authority's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2025. Certain beginning capital asset balances have been reclassified to separately present applicable capital asset categories. The implementation of this standard did not result in any change to the Authority's total capital assets, accumulated depreciation/amortization, net capital assets or net position.

**COWETA COUNTY WATER AND SEWERAGE AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2026 and 2025**

15. Subsequent Event

On September 2, 2026, the Authority adopted a parity bond resolution related to the proposed issuance of Revenue Bonds, Series 2026. The Authority currently anticipates issuing approximately \$63.3 million of bonds to finance additions, extensions, and improvements to the water and sewerage system, including improvements and expansion of the B.T. Brown Water Treatment Plant and related infrastructure, as well as costs of issuance. The principal amount and other terms of the bonds are preliminary and subject to change. The bonds are expected to be issued in October 2026.

This page intentionally left blank.

OTHER REPORTING 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 Government Auditing Standards**

To the Board of Directors
Coweta County Water and Sewerage Authority
Newman, 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 Coweta County Water and Sewerage Authority, a component unit of Coweta County, Georgia, as of and for the fiscal years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise Coweta County Water and Sewerage Authority's basic financial statements and have issued our report thereon dated September 4, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coweta 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rublan, LLC

Certified Public Accountants

Gainesville, Georgia
September 4, 2026

Coweta County Water & Sewerage Authority Insurance Summary

2025-2026 COVERAGES	25/26	26/27	2026-2027 COVERAGES
<u>Property</u> – U.S. Specialty Insurance Company \$117,019,711 Blanket Building & Contents \$312,000 EDP \$100,000 Business Income \$1,000,000 Extra Expense Conditions: Replacement Cost; Special Causes of Loss \$25,000 Deductible Flood - \$1,000,000 Limit - \$50,000 Ded Earthquake - \$1,000,000 Limit - \$50,000 Ded	\$204,442	\$259,467	<u>Property</u> – U.S. Specialty Insurance Company \$164,828,111 \$312,000 EDP \$100,000 Business Income \$1,000,000 Extra Expense Conditions: Replacement Cost; Special Causes of Loss \$25,000 Deductible \$100,000 Wind/Hail Flood - \$1,000,000 Limit - \$50,000 Ded Earthquake - \$5,000,000 Limit - \$50,000 Ded
<u>Auto</u> – U.S. Specialty Insurance Company \$1,000,000 Liability – Owned Autos \$ 100,000 Uninsured Motorists / Underinsured Motorists \$ 5,000 Medical Payments \$1,000,000 Hired and Non-Owned Autos Rating Schedule: <u># of Autos</u> 96 units Physical Damage Coverage (\$2,000 Comp/\$2,000 Coll)	Included	Included	<u>Auto</u> – U.S. Specialty Insurance Company \$1,000,000 Liability – Owned Autos \$ 100,000 Uninsured Motorists / Underinsured Motorists \$ 5,000 Medical Payments \$1,000,000 Hired and Non-Owned Autos Rating Schedule: <u># of Autos</u> 98 Units Physical Damage Coverage (\$2,000 Comp/\$2,000 Coll)
<u>Crime</u> – U.S. Specialty Insurance Company \$250,000 Employee Dishonesty \$250,000 Forgery/Alterations	Included	Included	<u>Crime</u> – U.S. Specialty Insurance Company \$250,000 Employee Dishonesty \$250,000 Forgery/Alterations
<u>Public Officials E & O</u> – U.S. Specialty Insurance Company \$1,000,000 Aggregate / \$1,000,000 Each Wrongful Act Limit \$ 2,500 Deductible	Included	Included	<u>Public Officials E & O</u> – U.S. Specialty Insurance Company \$1,000,000 Aggregate / \$1,000,000 Each Wrongful Act Limit \$ 2,500 Deductible
<u>Employment Practices Liability</u> – U.S. Specialty Insurance Company \$1,000,000 Aggregate / \$1,000,000 Each Wrongful Act Limit \$ 100,000 Wage & Hour \$ 2,500 Deductible	Included	Included	<u>Employment Practices Liability</u> – U.S. Specialty Insurance Company \$1,000,000 Aggregate / \$1,000,000 Each Wrongful Act Limit \$ 100,000 Wage & Hour \$ 2,500 Deductible
Full Time Employees: 99			Full Time Employees: 106

Coweta County Water & Sewerage Authority
Insurance Summary

2025-2026 COVERAGES			25/26	26/27	2026-2027 COVERAGES		
<u>Workers Compensation</u> – Builders Insurance Company (Vinings)			\$51,848	\$50,628	<u>Workers Compensation</u> – Builders Insurance Company (Vinings)		
\$1,000,000 Bodily Injury by Accident (each accident)					\$1,000,000 Bodily Injury by Accident (each accident)		
\$1,000,000 Bodily Injury by Disease (policy limit)					\$1,000,000 Bodily Injury by Disease (policy limit)		
\$1,000,000 Bodily Injury by Disease (each employee)					\$1,000,000 Bodily Injury by Disease (each employee)		
<u>Exposures:</u>					<u>Exposures:</u>		
<u>Code</u>	<u>Description</u>	<u>Payroll</u>			<u>Code</u>	<u>Description</u>	<u>Payroll</u>
7520	Waterworks	\$4,343,000			7520	Waterworks	\$4,806,786
7580	Sewage Disposal	\$ 954,000			7580	Sewage Disposal	\$ 947,728
8810	Clerical	\$ 2,110,000			8810	Clerical	\$2,174,333
8742	Salespersons	IF Any			8742	Salespersons	IF Any
Deductible: \$2,500					Deductible: \$2,500		
Experience Mod: .90					Experience Mod: .79		
<u>General Liability</u> – U.S. Specialty Insurance Company			Included	Included	<u>General Liability</u> – U.S. Specialty Insurance Company		
\$3,000,000 General Aggregate					\$3,000,000 General Aggregate		
\$3,000,000 Products & Completed Operations Aggregate					\$3,000,000 Products & Completed Operations Aggregate		
\$1,000,000 Personal & Advertising Injury					\$1,000,000 Personal & Advertising Injury		
\$1,000,000 Each Occurrence					\$1,000,000 Each Occurrence		
\$ 100,000 Fire Damage (Any One Fire)					\$ 100,000 Fire Damage (Any One Fire)		
\$ 10,000 Medical Expense (Any One Person)					\$ 10,000 Medical Expense (Any One Person)		
Failure To Supply - \$1,000,000 Limit					Failure To Supply - \$1,000,000 Limit		
<u>Employee Benefits Liability:</u>			Included	Included	<u>Employee Benefits Liability:</u>		
\$1,000,000 Each Occurrence					\$1,000,000 Each Occurrence		
\$3,000,000 Aggregate Limit					\$3,000,000 Aggregate Limit		
\$ 2,500 Deductible					\$ 2,500 Deductible		
Retro Date: 01/01/1996					Retro Date: 01/01/1996		

**Coweta County Water & Sewerage Authority
Insurance Summary**

2024-2025 COVERAGES	24/25	25/26	2025-2026 COVERAGES
<u>Boiler & Machinery</u> – U.S. Specialty Insurance Company Equipment Breakdown Limit included in Building Limit \$ 1,000 Direct Deductible \$ 250,000 Data Restoration \$ 250,000 Hazardous Substance \$ 250,000 Spoilage	Included	Included	<u>Boiler & Machinery</u> – U.S. Specialty Insurance Company Equipment Breakdown Limit included in Building Limit \$ 1,000 Direct Deductible \$ 250,000 Data Restoration \$ 250,000 Hazardous Substance \$ 250,000 Spoilage
<u>Inland Marine</u> – U.S. Specialty Insurance Company \$2,078,474 Contractors' Equipment \$25,000 Miscellaneous Equipment Deductible: \$1,000	Included	Included	<u>Inland Marine</u> – U.S. Specialty Insurance Company \$2,100,039 Contractors' Equipment \$50,000 Miscellaneous Equipment Deductible: \$1,000
<u>Excess Liability</u> – U.S. Specialty Insurance Company \$4,000,000 Limit \$ 10,000 Deductible	Included	Included	<u>Excess Liability</u> – U.S. Specialty Insurance Company \$4,000,000 Limit \$ 10,000 Deductible
<u>Privacy Liability / Network Risk</u> – Cowbell/Palomar \$2,000,000 Limit \$2,000,000 Limit – Privacy Liability \$2,000,000 Limit – Business Interruption Loss \$2,000,000 Limit – System Failure \$250,000 Limit – Cyber Crime \$1,000,000 Limit – Bricking Costs \$2,000,000 Limit – Cyber Extortion \$25,000 Retention	\$12,059	\$12,217	<u>Privacy Liability / Network Risk</u> – Cowbell/Palomar \$2,000,000 Limit – Privacy Liability \$2,000,000 Limit – Business Interruption Loss \$2,000,000 Limit – System Failure \$250,000 Limit – Cyber Crime \$2,000,000 Limit – Bricking Costs \$2,000,000 Limit - Extortion Sub-Limit \$25,000 Retention
<u>Fiduciary Liability</u> – US Specialty Insurance Co \$1,000,000 Limit \$ 5,000 Deductible	\$2,081	\$2,255	<u>Fiduciary Liability</u> – U.S. Specialty Insurance Company \$1,000,000 Limit \$ 5,000 Deductible
<u>Terrorism</u>	Included	Included	<u>Terrorism</u>
Total Premium for 2025-2026	\$270,430	\$324,567	Total Premium for 2026-2027

A.M. Best Rating: State National A Builders A- US Specialty A++ Beazley Insurance Company A Cowbell/Palomar

Marketing Summary

	Company	Position	Response
1	Ascot/Arch	Declined	Would not be competitive
2	Arch	Declined	Not within Appetite
3	Berkley SE	Declined	Not within Appetite
4	Cincinnati	Declined	Cannot be competitive
5	Intact	Declined	No longer writing government business
6	Liberty	Declined	Not a market for property in Coweta County. Pricing is too competitive as well.
7	MunichRe	Declined	Would not be completeive.
8	Travelers	Declined	Would not be competitive. Indicated \$325k+ best case.
9	U.S. Specialty	Quoted Renewal	\$258,163 (Incumbent Carrier)



Coweta County Water & Sewerage Authority

Meeting Agenda

Wednesday, October 7, 2026

Pledge of Allegiance
Invocation

Approval of minutes from the September 2, 2026 meeting

Business

- Service Awards.....Jay Boren
- Consider the adoption of a supplemental parity bond resolution providing for the terms of the Authority's Revenue Bonds, Series 2026, including authorization and execution of various documents related thereto, including a bond purchase agreement.....Jay Boren
- Property and Casualty Insurance Renewal.....Clay McEntire
- FY26 Audit Presentation.....Samuel Latimer
- Update on Operations.....Emmanuel McBurnett
- Update on Human Resources.....Mandy Sledd
- Update on Customer Care/Information Technology Alan Sibley
- Monthly Report.....Roger Dawson

Agenda Additions:

- Executive Session
- Litigation / Real Estate / Personnel

Adjournment

Next Board Meeting: Wednesday, November 4, 2026 at 9:00



Operations Update

Emmanuel McBurnett



Construction Update



August – Leak/Meter Counts

- **Leaks – 84**
- **Digs**
 - Domestic – 10
 - Irrigation – 3
- **Drops**
 - Domestic – 36
 - Irrigation – 23

**August
July**

**Total Meters – 72
Total Meters – 95**

August – Meter Install Status

Meter Install Status								
Meter Type	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	6+ Weeks	Total
S/S Dig	0	0	1	1	1	2	1	6
L/S Dig	0	1	0	1	0	0	4	6
Dual Drop	1	0	0	1	2	0	0	4
Domestic Drop	1	0	0	1	0	1	0	3
Irrigation Drop	1	4	2	2	0	1	0	10
Total	3	5	3	6	3	4	5	29

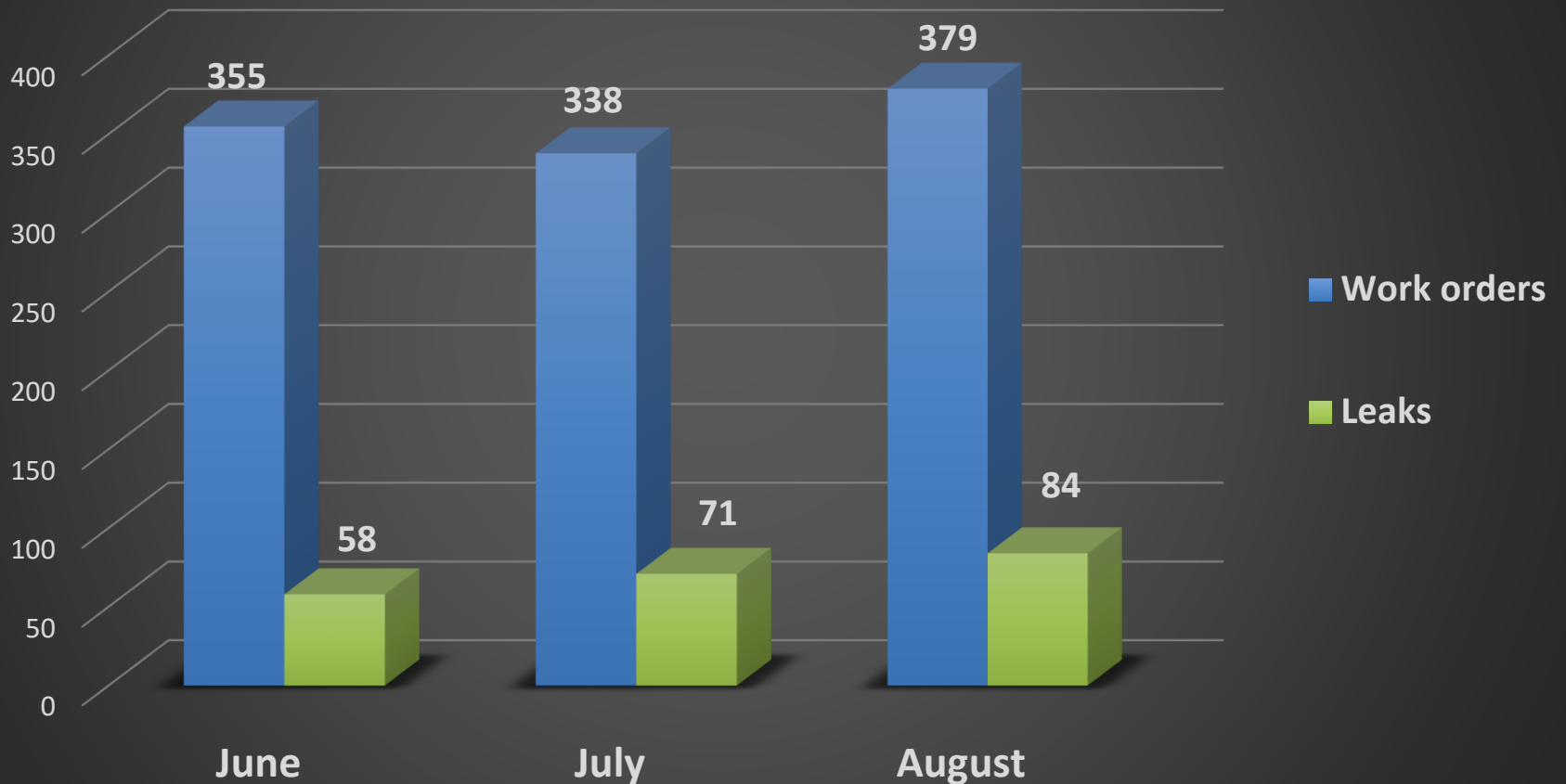
Legend	
	Near deadline
	Deadline
	Past deadline

Current Projects

- Construction Crew installed 3500ft of 4" alum line at BT Brown
- Chattahoochee Transmission Main has passed all pressure testing
- Distribution is working on hydrant painting and valve exercising in the Gordon Rd area
- RDJE is working their way down McIntosh Trl with the 12" force main coming from Twelve Parks
- RDJE has completed all relocations for the Madras Connector project

Work Orders

Combination of North/South



Maintenance Update



Maintenance

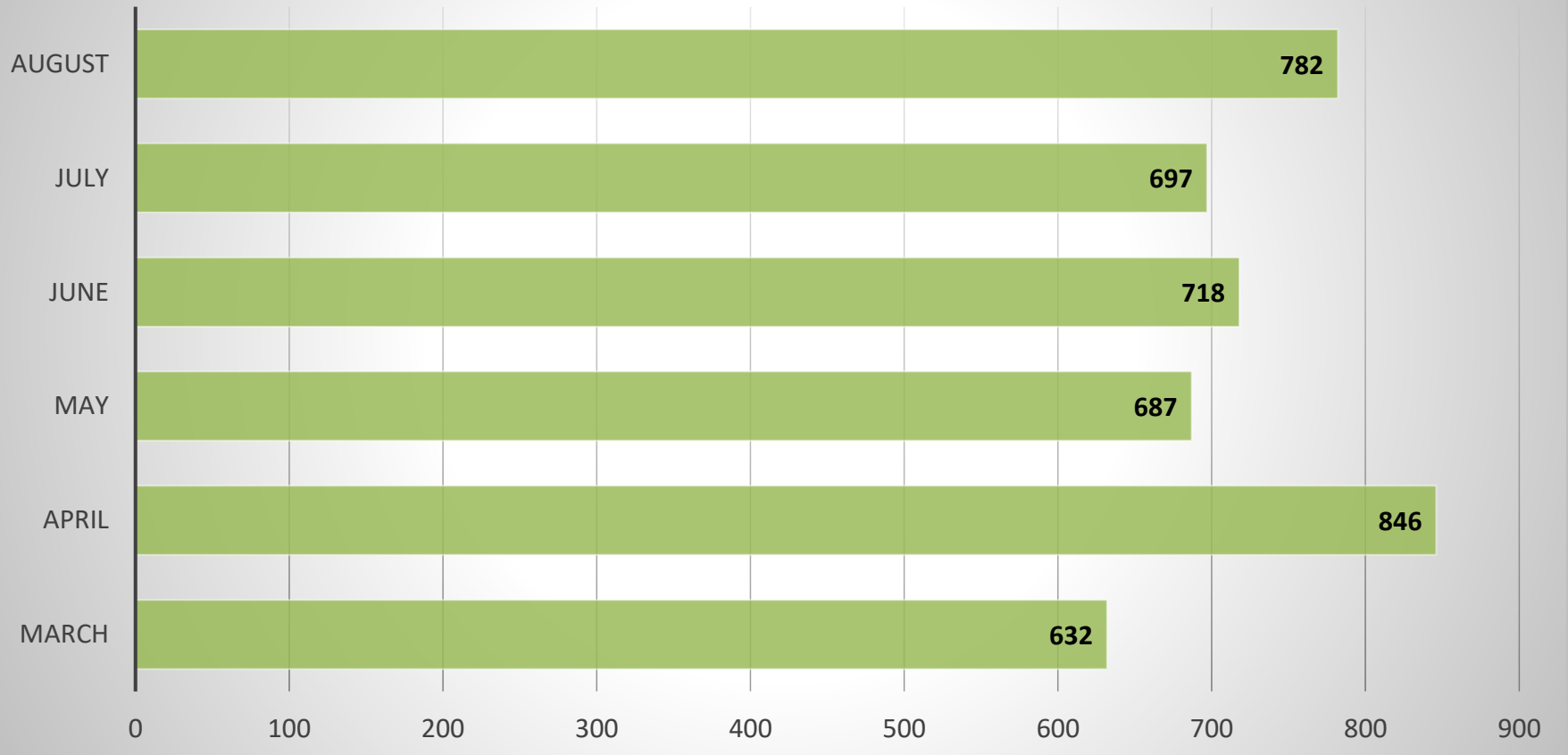
- Pulled 2nd pump at Twelve Parks lift station and set up bypass pump until the new pump comes in
- Replaced level transmitter on HWY154 water tank
- Replaced level transmitter on Shoal Creek water tank
- Rebuilt high service #3 isolation valve cylinder
- Replaced battery charger on raw water building generator

Cross-Connection Control Update



Sensus Analytics

Customer Outreach



Engineering Updates



Engineering

Residential

- Twelve Parks Phase B2 – McIntosh Trail
- Stockton Landing – Fischer Road
- Welch Farms – McIntosh Trail



Engineering

Monthly Submittals:

- As-Built – 10
- Building Permits – 33
- Construction Plan – 8
- Final Plat – 5

Prelim Plat – 1

Rezoning – 5

Variance – 1

Transportation Projects:

- 13 Permits for Coweta County
- 6 Permits for GDOT

ACCELA Monthly Submittals



BT Brown Update



BT Brown



Activity Update

- **BT Brown average daily demand – 4.43 MGD**
- **Average system daily demand – 10.79 MGD**

Shenandoah Update



Shenandoah



Activity Update:

	SHENANDOAH WWTP			ARNCO WWTP			SARGENT WWTP	
	Monthly AVG	Highest Wkly AVG		Monthly AVG	Highest Wkly AVG		Monthly AVG	Highest Wkly AVG
	1.458	1.551		0.006	0.009		0.008	0.010
Discharge Limits:	2.0	2.5		0.100	0.125		0.06	0.08

Shenandoah



Activity Update:

	BLALOCK LAKES Decentralized		OAKS AT TURIN Decentralized		TWELVE PARKS
	Daily Average		Daily Average		Daily Average
	17,545		7,537		61,700
Discharge Limits:	26,000		REPORT ONLY		80,750



Human Resources

Mandy Sledd

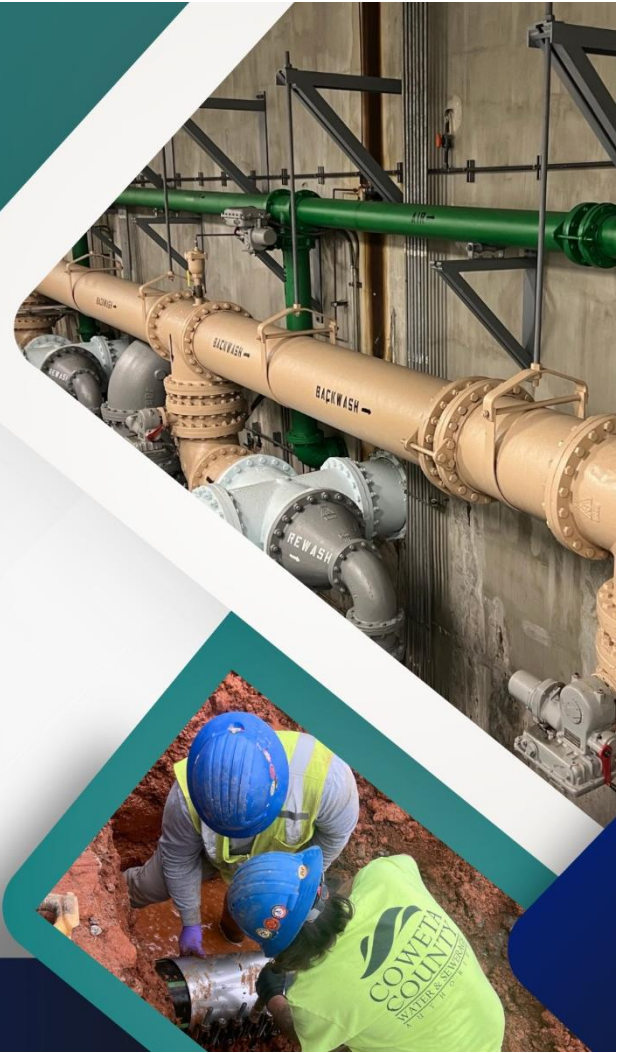


Safety Update





Marketing Update



We're incredibly proud of our B.T. Brown Water Plant Superintendent, Michael Ballew, for being honored with the 2026 Georgia Section AWWA Operator's Meritorious Service Award! Congratulations, Michael, on this well-deserved recognition!! 🏆👏 See less

2026
OPERATOR
MERITORIOUS
SERVICE AWARD



Congratulations!
MICHAEL BALLEW



Georgia Association of Water Professionals - GAWP
September 8 at 1:32 PM · 📍

The Georgia Section Awwa's Operator's Meritorious Service Award celebrates the incredible dedication of public drinking water treatment plant operators. This award high... See more



WE ARE HIRING

Heavy
Equipment
Operator

Join our team

Submit Your Resume



WE'RE HIRING!





JOIN OUR TEAM

**INDUSTRIAL
ELECTRICAL
MAINTENANCE
TECHNICIAN**

SUBMIT YOUR RESUME:

📧 careers@cowetawater.com



WE ARE HIRING



**Grass
Cutter**

Apply Now!

SUBMIT YOUR RESUME

📧 careers@cowetawater.com

keep our community's water flowing. We're proud of the hard work and dedication they bring to the job every day. 💧👏

#WaterProfessionals #CrewsInAction #CommunityFirst See less



See insights and ads

Boost post

👍 50 💬 4 ➦ 3

WE'RE HIRING! IT ENGINEER



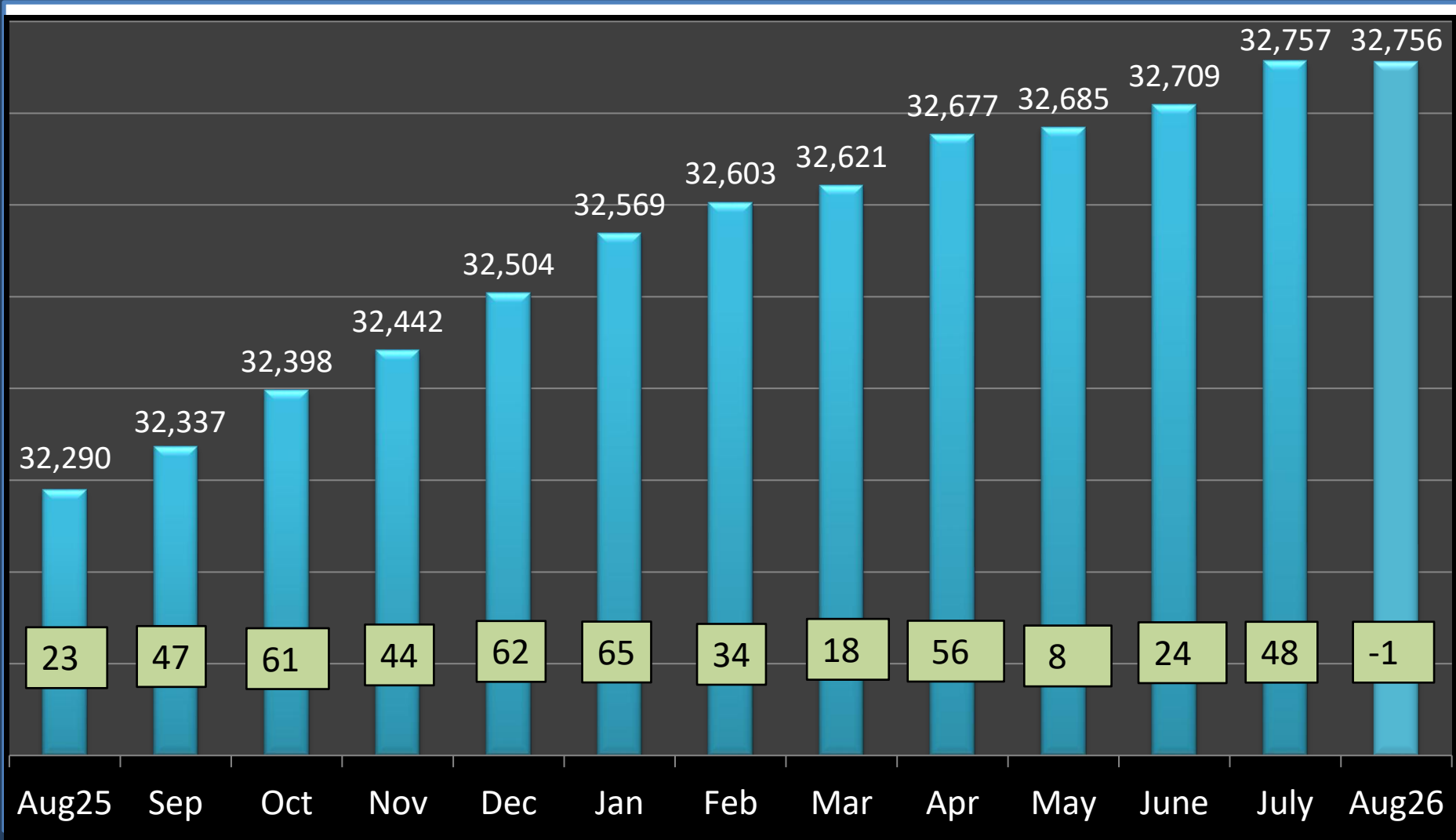
Apply now

Customer Care Update

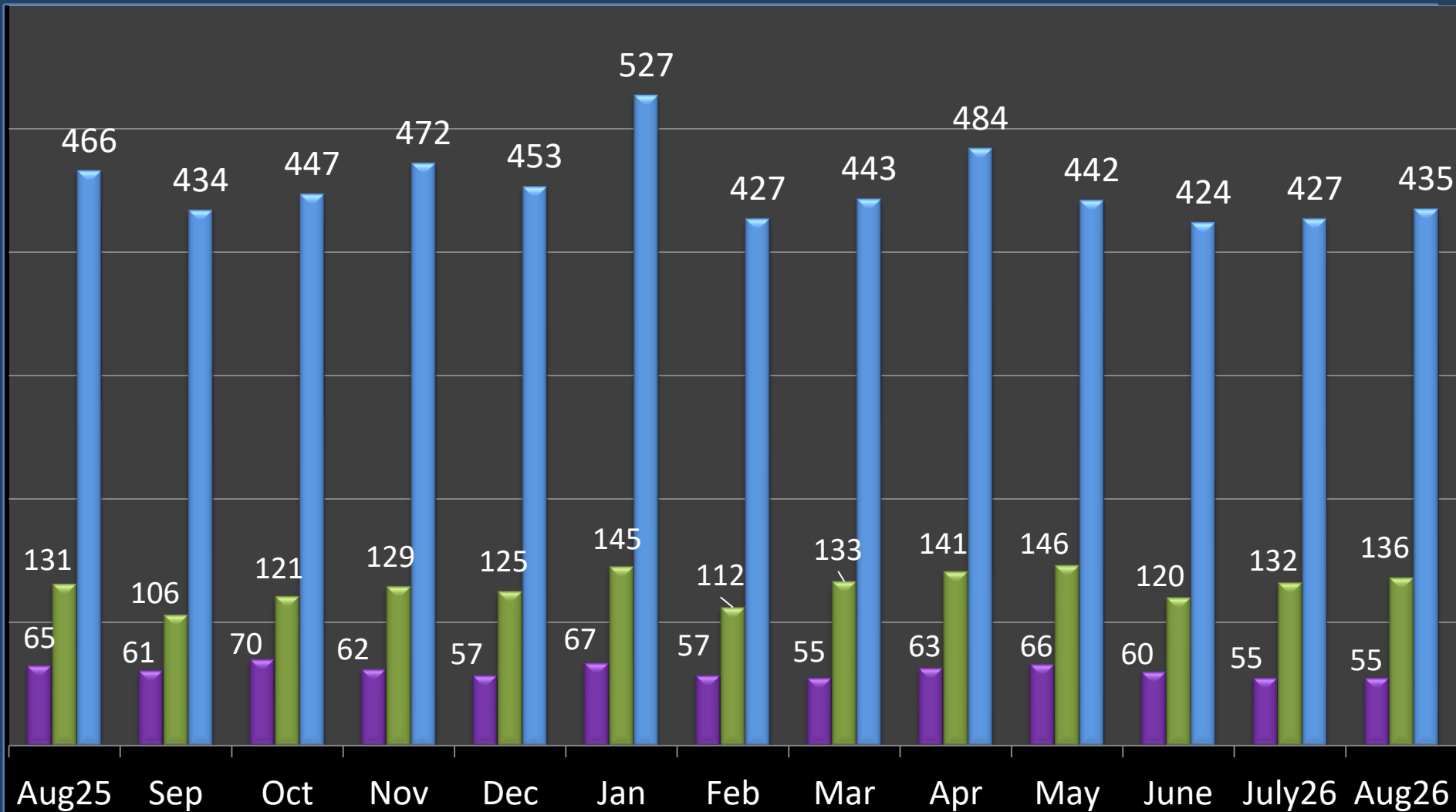
Alan Sibley



Customer Bill Count



Non-Pay Disconnects



Information Technology Update

Alan Sibley



Compare Usage Across the Year

YEAR-OVER-YEAR VIEW

A quick visual comparison of consumption trends across two 12-month periods.

Usage

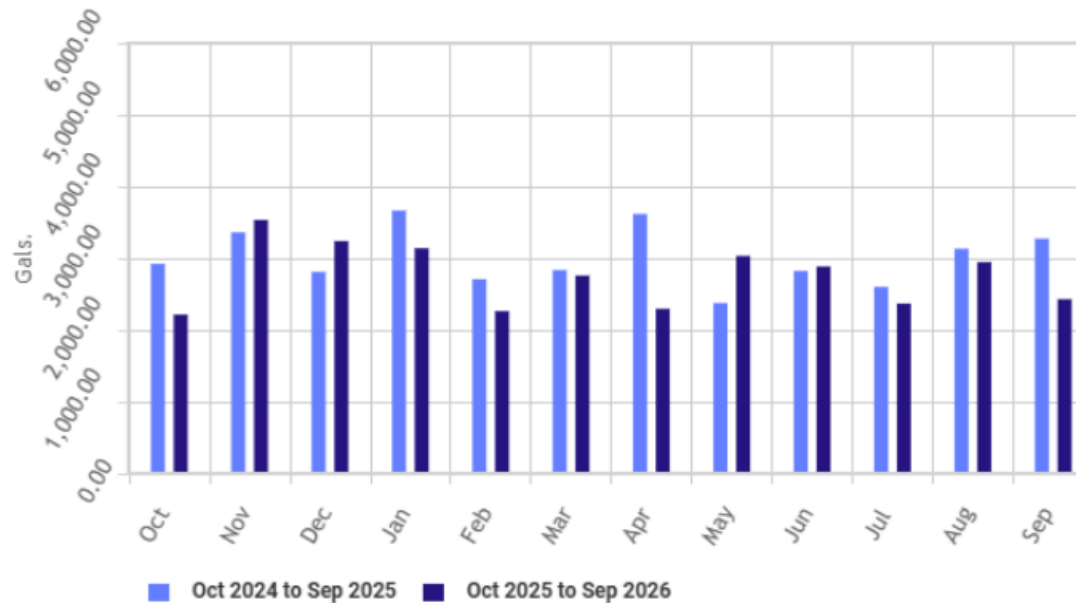
[Manage alerts](#) 

Monthly

Daily

Hourly

Custom



[Download usage history](#) 

See the Pattern Day by Day

DAY-BY-DAY DETAIL

Daily bars make changes in consumption easy to spot across the selected billing period.

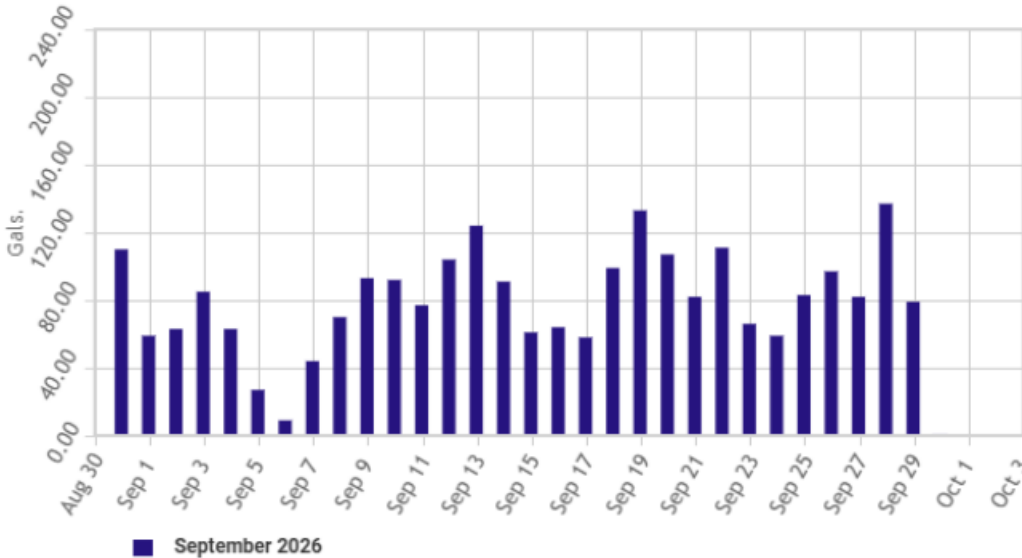
Usage

Manage alerts 

- Monthly
- Daily
- Hourly
- Custom

< Sep 2026 > 

Unbilled Consumption
08/31/26 to 09/29/26



Download usage history 

Pinpoint When Water Is Used

TIME-OF-DAY DETAIL

A closer look at usage throughout a selected day helps reveal when consumption occurs.

Usage

[Manage alerts](#) 

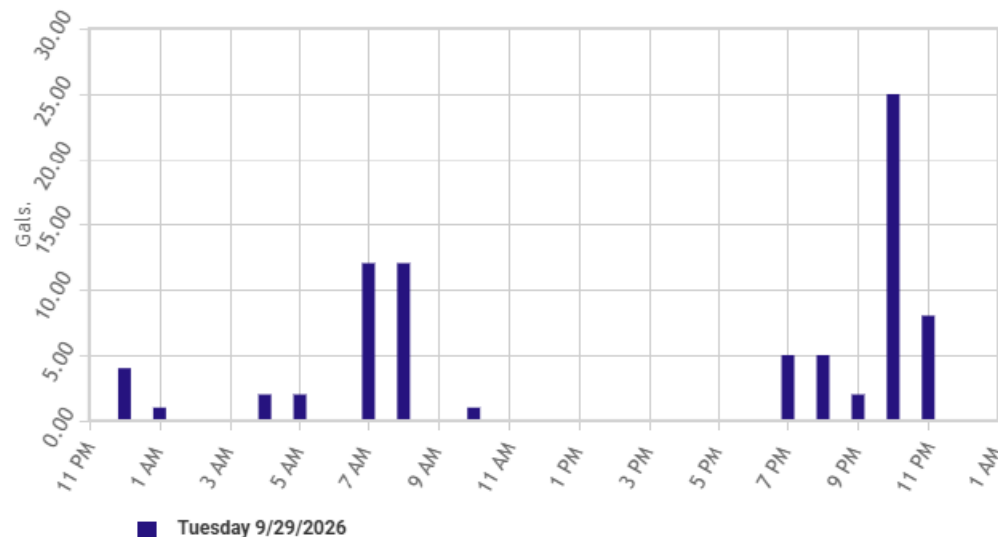
Monthly

Daily

Hourly

Custom

< Sep 29 2026 > 



[Download usage history](#) 

Choose the Dates. See the Total.

FLEXIBLE DATE RANGE

Select any start and end date to focus on the exact period a customer wants to review.

Usage

[Manage alerts](#) 

Monthly

Daily

Hourly

Custom

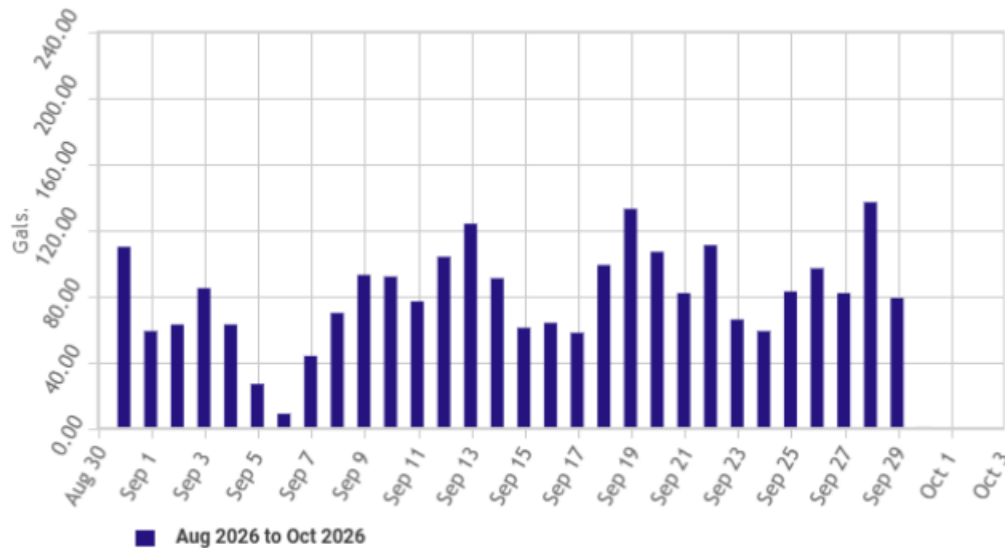
Start date
08/31/2026



End date
10/01/2026



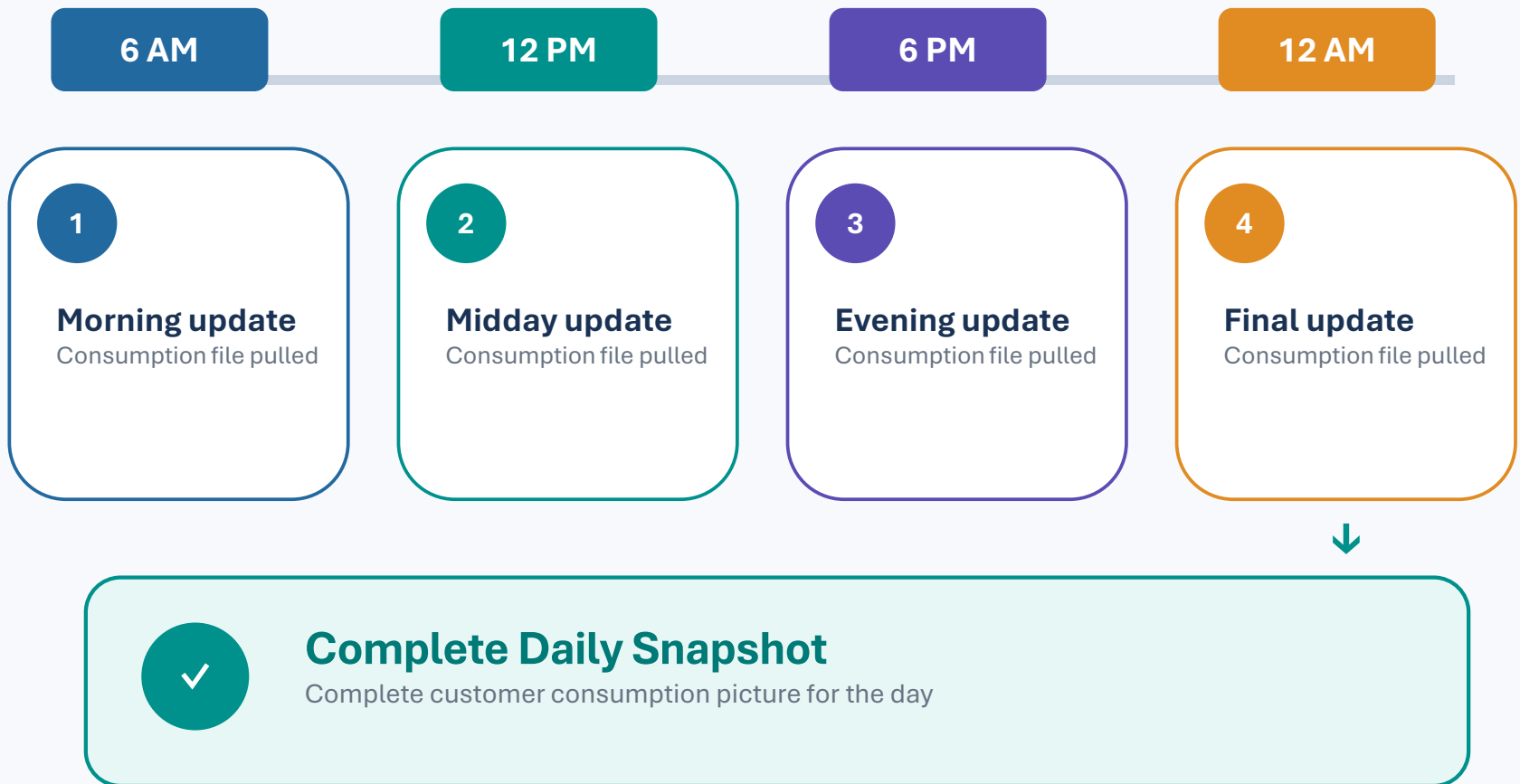
08/31/26 to 09/29/26
Total usage: 2430 Gals.



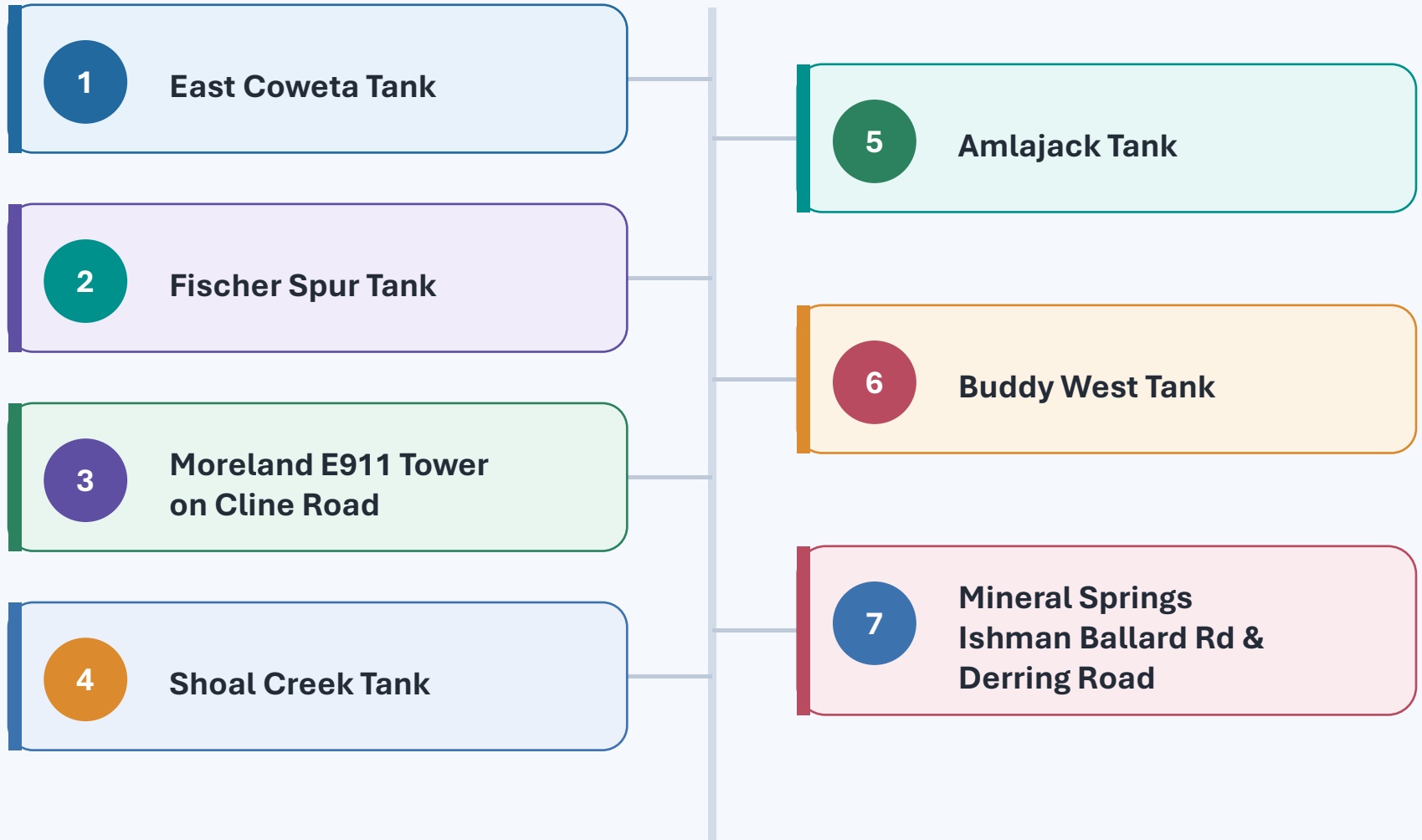
[Download usage history](#) 

How Consumption Data Reaches the Portal

Four scheduled updates build the day's usage picture, followed by a complete daily snapshot.



Usage Data Collection Sites



Known Usage Data Signal Challenges

PRIMARY CHALLENGE AREAS

01

West side toward Heard County

02

Blalock Lakes

03

Hogansville

04

Haralson and Senoia areas

HARALSON / SENOIA

Known trouble spots



Eastside School Road



Glazier Road



Foxhall Subdivision



Al Roberts Road



Signal challenges are concentrated in specific geographic pockets.

Consumption Alerts

Usage

☒ Email

Email

example@domain.com

☒ Leak alerts ^

Receive alert if consumption indicates abnormal usage or potential leak.

☒ Consumption threshold alerts ^

Notify me if my **daily** usage exceeds

☒ Water (Gals.)

90.0

Average daily use = 90.00 Gals.

Notify me if my **monthly** usage exceeds

☒ Water (Gals.)

2790.0

Average monthly use = 2790.00
Gals.

☐ Vacation threshold alerts ^

Notify me if my **daily** usage exceeds the specified thresholds between the below Start and End dates

Start



End



☐ Water (Gals.)

1.00

Lowest daily use = 1.00 Gals.

Unsubscribe

Cancel

Save

Customer Notification History

← Notification history

From

09/30/2025



To

09/30/2026



Apply

Date time

Alert type

Reason

Notification type

6/21/2026
12:03:18 PM

Consumption
Threshold

Daily Consumption
was 280.00 on
Meter 86062286A
and Daily
Consumption
Threshold was 250.

Email

1/2/2026
1:26:37 PM

Monthly
Consumption
Threshold

Monthly
Consumption was
3226.00 between
12/02/2025 and
01/03/2026 on
Meter 86062286A
and Monthly
Consumption
Threshold was
3200.00.

Email

Rows per page:

15 ▼

1-2 of 2



Contact Preferences

Billing

Sign up for e-Billing

☒ Enroll in paperless

Email

☐ Mail paper bill

☒ Email reminders ^

☒ Past due

Utility Notifications

☒ Utility notifications ^

In the fields below please select the appropriate method of contact and enter in the number that you would like your Utility notifications to be sent to. Once you click on the update button your selection will be saved.

☒ Text

Phone Number

☐ Phone call



MONTHLY REPORT- August FY27

Roger Dawson

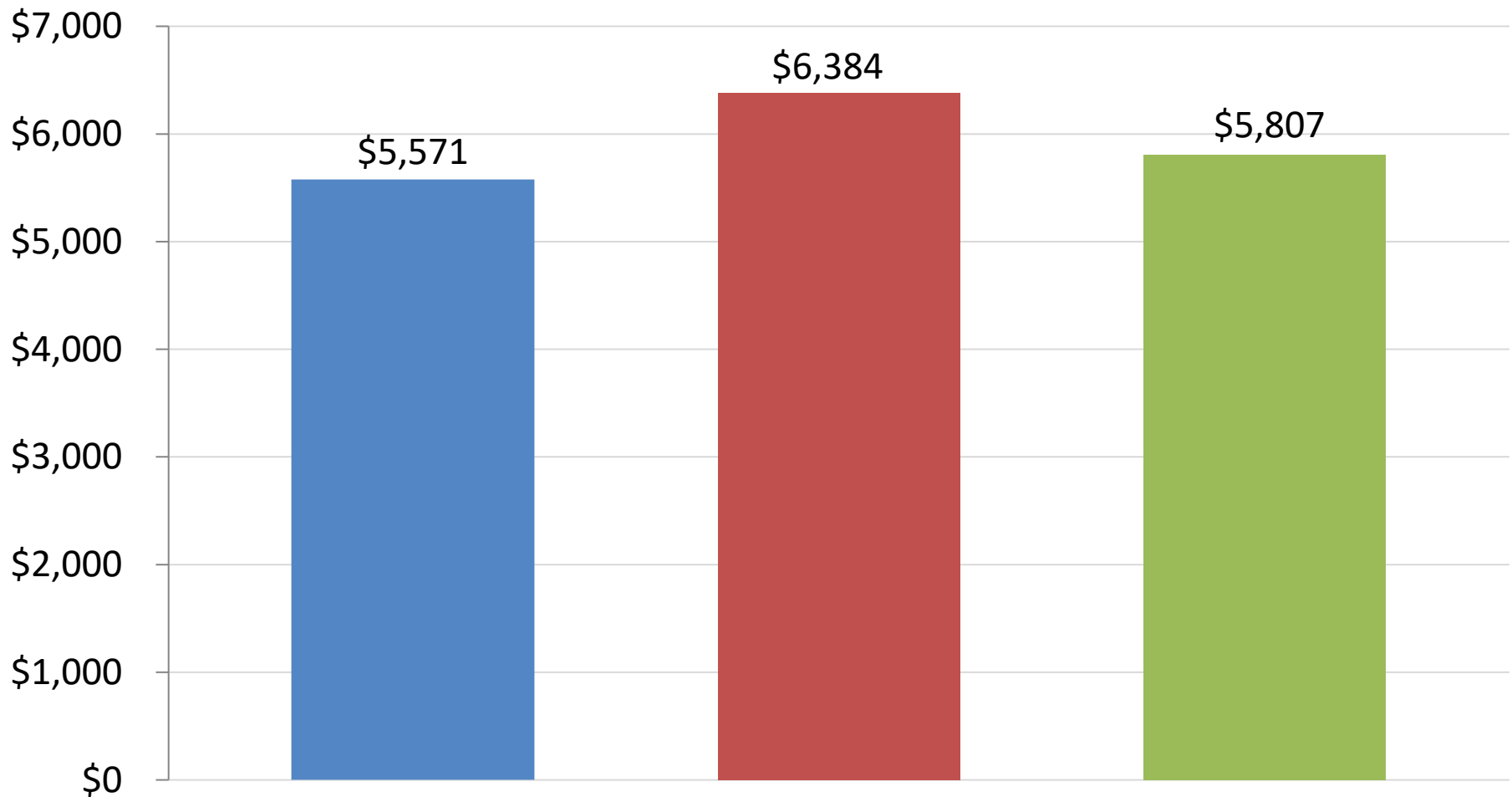


Water Revenue YTD August FY27

Board Meeting Slide

In Thousands

■ Prior Year ■ Budget ■ Actual

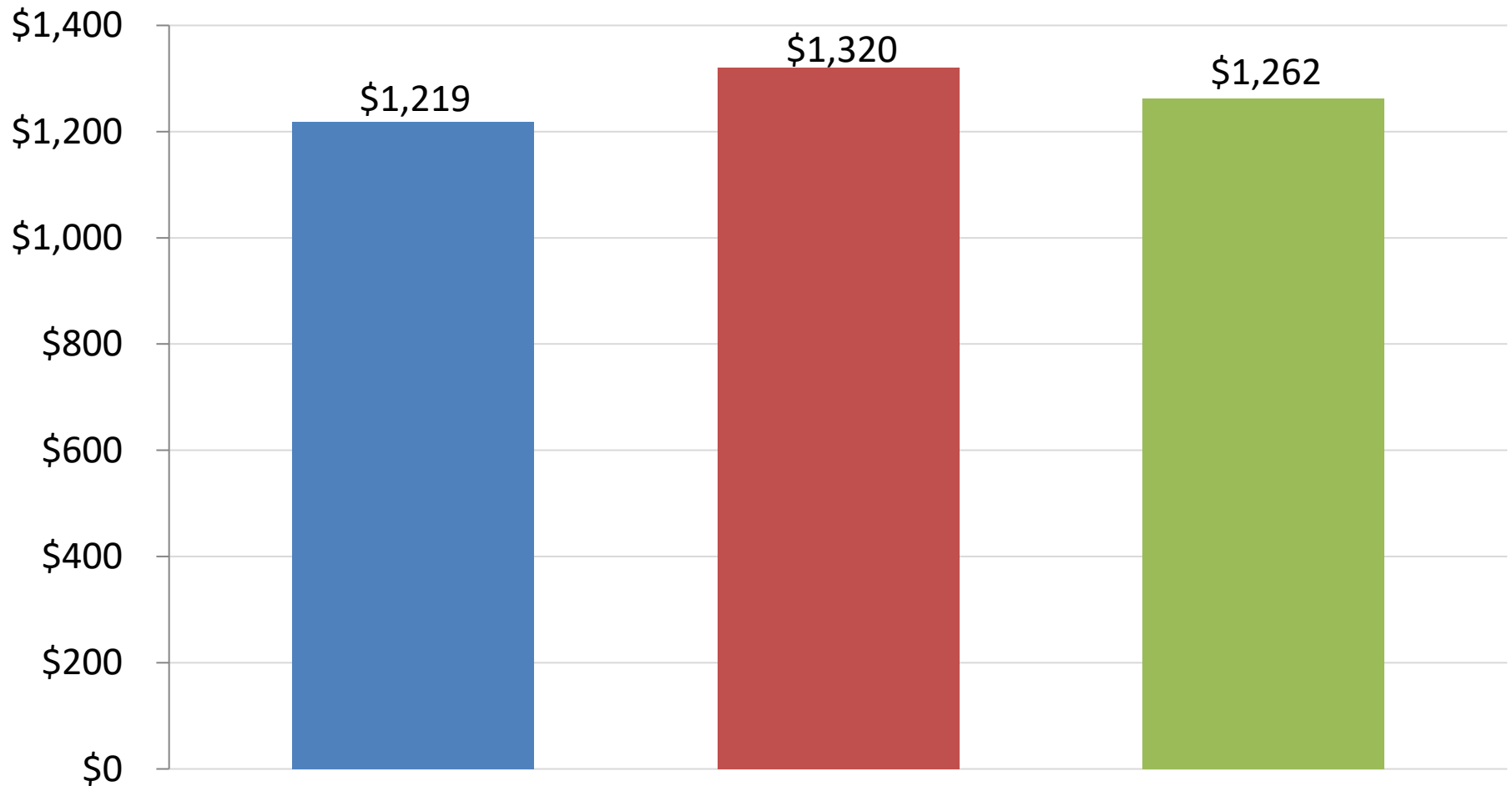


Sewer Revenue YTD August FY27

Board Meeting Slide

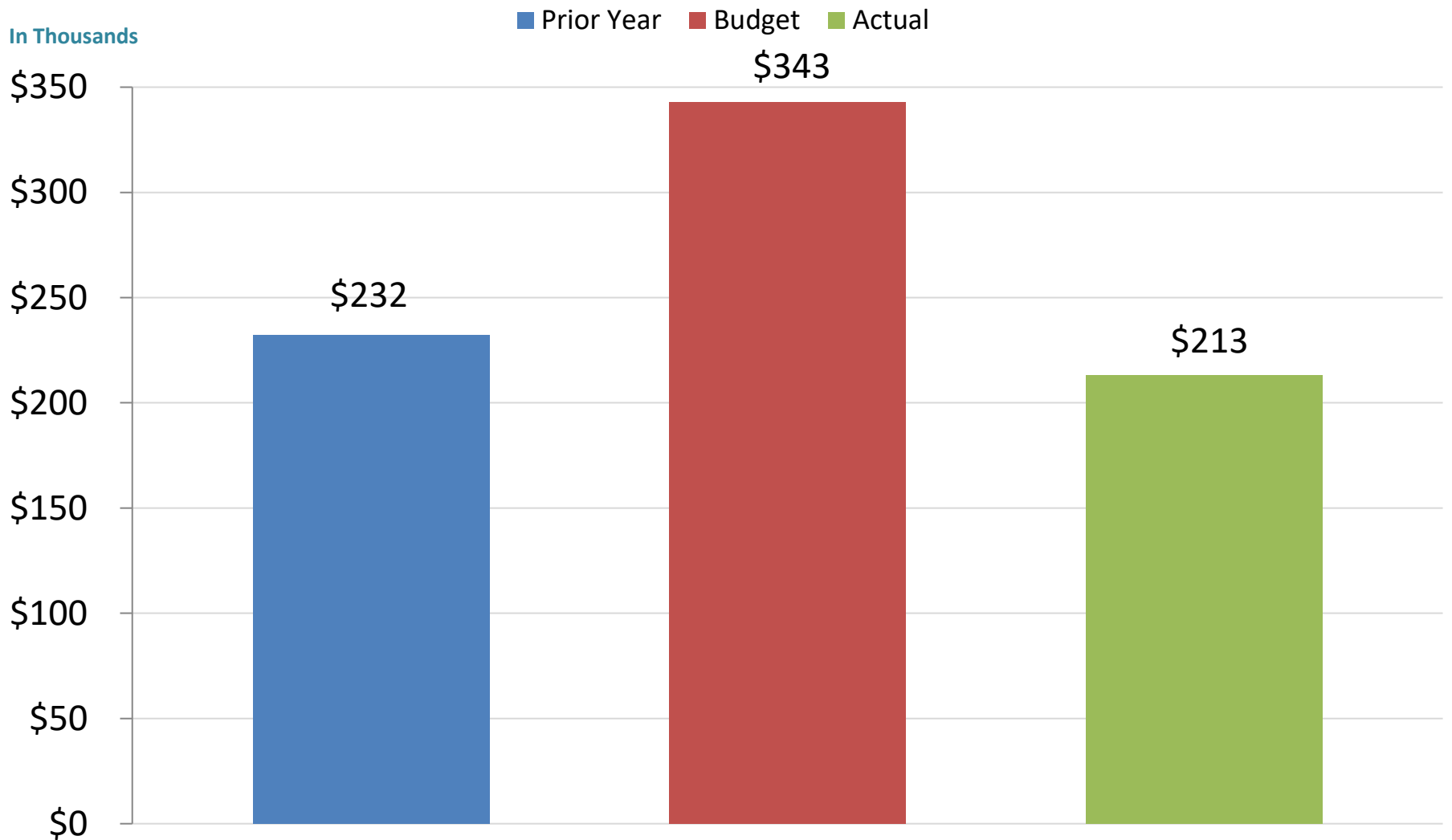
In Thousands

■ Prior Year ■ Budget ■ Actual



Connection Fees YTD August FY27

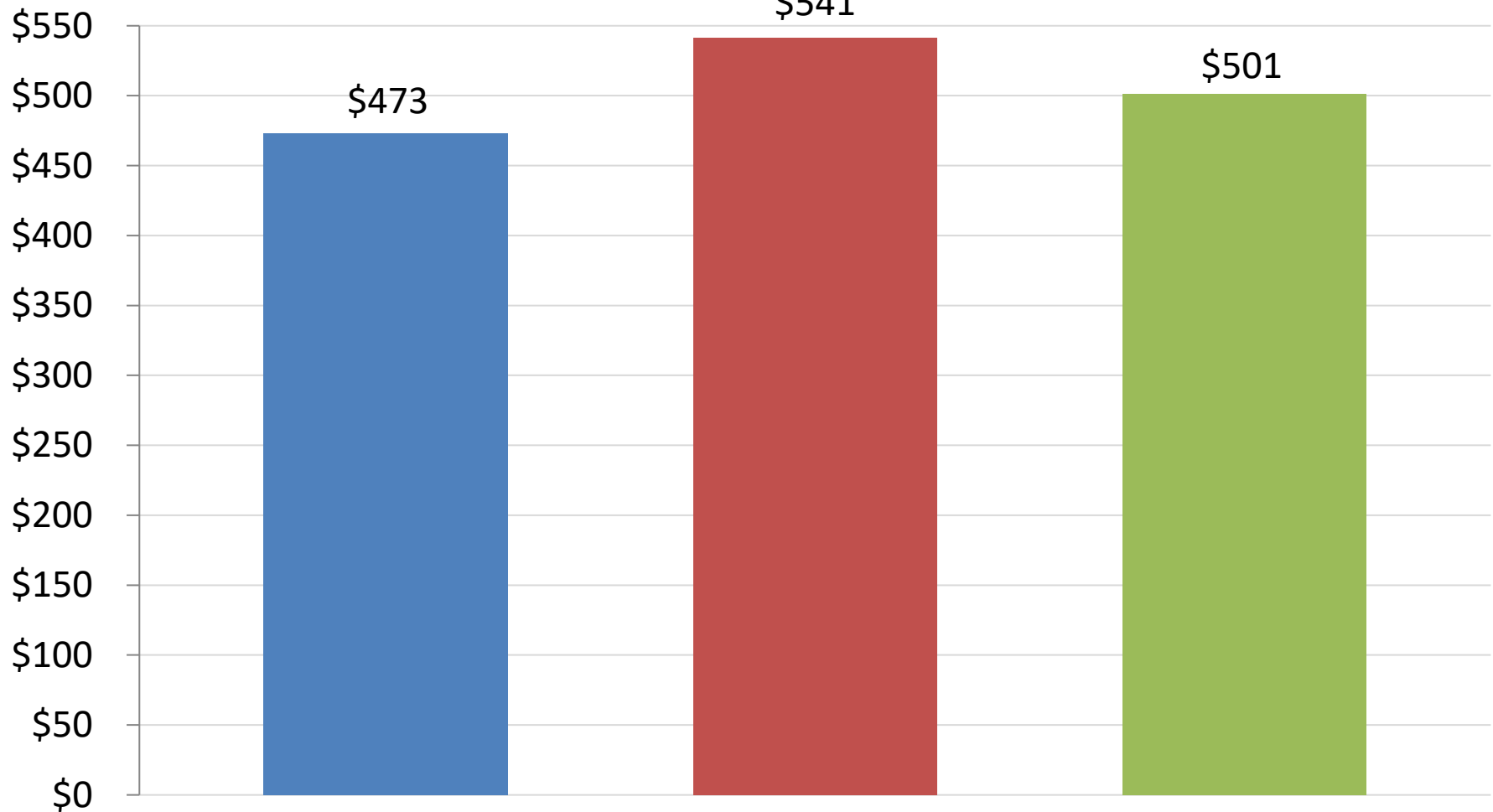
Board Meeting Slide



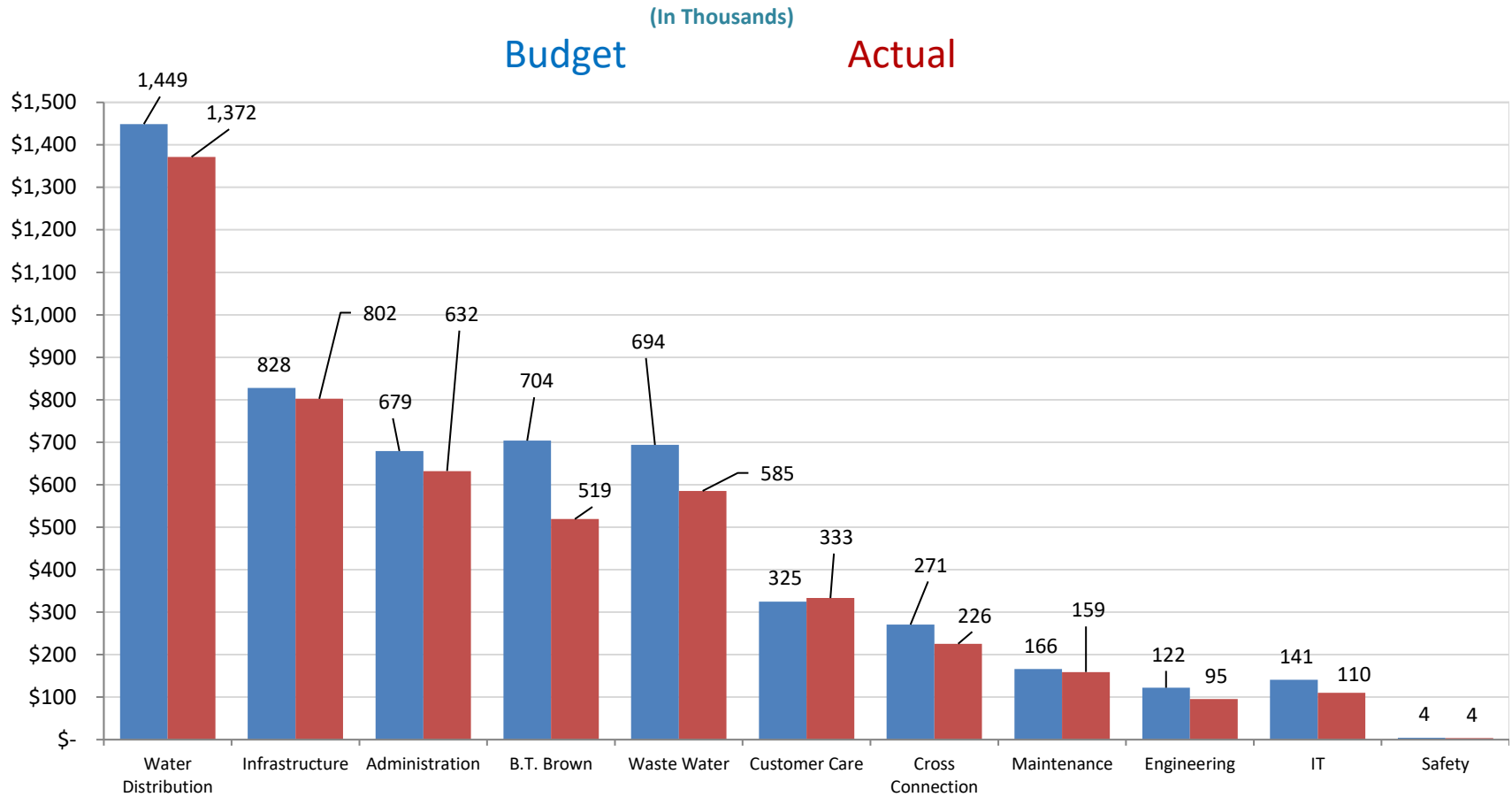
Other Services
YTD August FY27

In Thousands

■ Prior Year ■ Budget ■ Actual

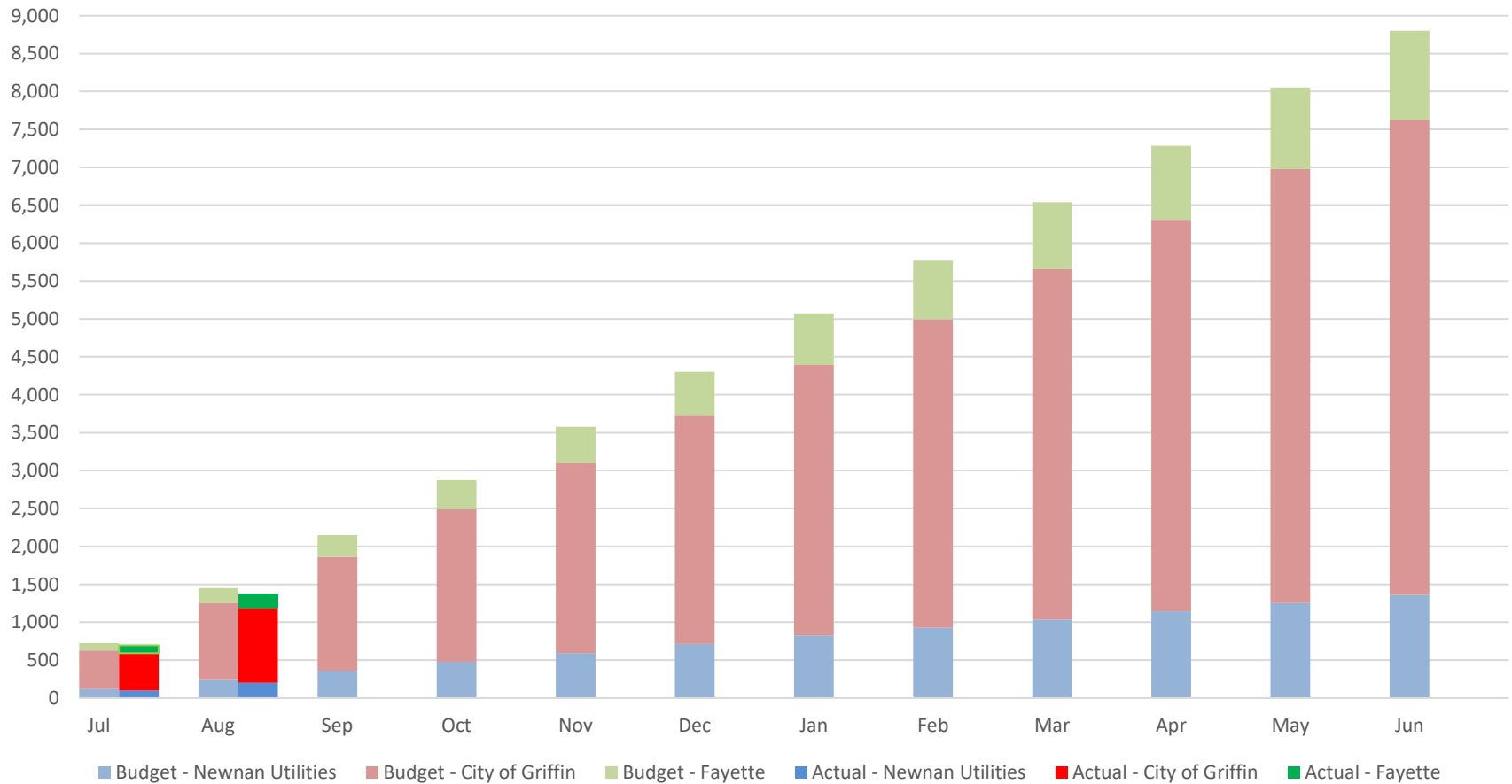


Budget Versus Actual YTD August FY27



Purchased Water Budget/Actual FY27

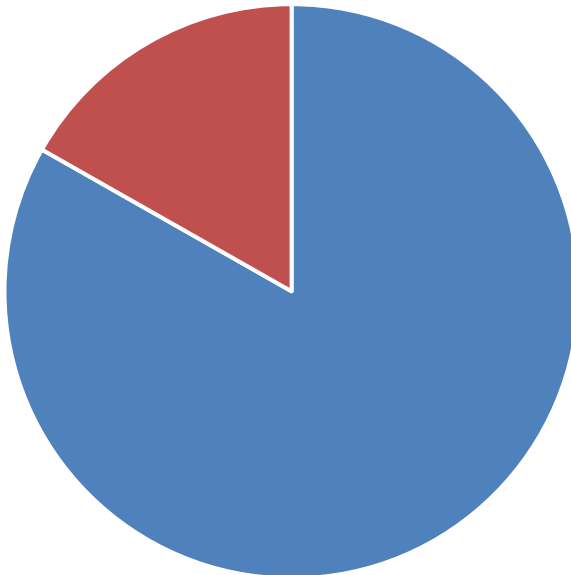
In Thousands



**Actual Activity in Relation to Total Budget
YTD August FY27**

Revenue

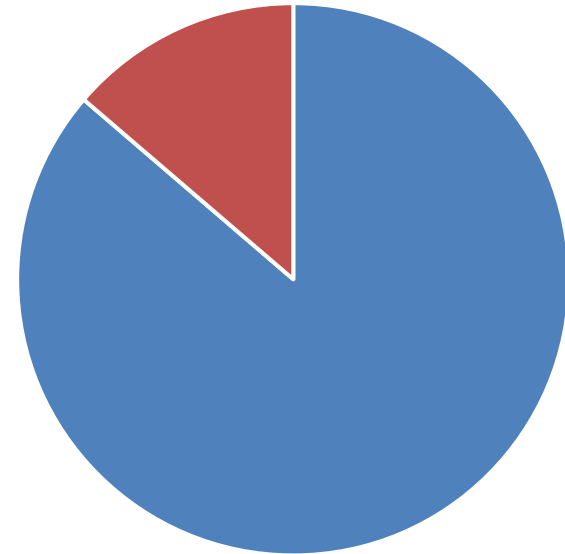
16.78%



■ Budget ■ Actual

Expenses

13.72%



■ Budget ■ Actual

Portion of FYTD Expired
2 Months = $2/12 = 16.66\%$



Coweta County Water & Sewerage Authority

Meeting Agenda

Wednesday, October 7, 2026

Pledge of Allegiance
Invocation

Approval of minutes from the September 2, 2026 meeting

Business

- Service Awards.....Jay Boren
- Consider the adoption of a supplemental parity bond resolution providing for the terms of the Authority's Revenue Bonds, Series 2026, including authorization and execution of various documents related thereto, including a bond purchase agreement.....Jay Boren
- Property and Casualty Insurance Renewal.....Clay McEntire
- FY26 Audit Presentation.....Samuel Latimer
- Update on Operations.....Emmanuel McBurnett
- Update on Human Resources.....Mandy Sledd
- Update on Customer Care/Information Technology Alan Sibley
- Monthly Report.....Roger Dawson

Agenda Additions:

- Executive Session
- Litigation / Real Estate / Personnel

Adjournment

Next Board Meeting: Wednesday, November 4, 2026 at 9:00