

CITY OF GRIFFIN, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

Prepared by:
Griffin Finance Department

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i – ix
Organizational Chart.....	x
List of Principal Officials	xi
Certificate of Achievement for Excellence in Financial Reporting	xii

FINANCIAL SECTION

Independent Auditor's Report	1 – 3
Management's Discussion and Analysis	4 – 13
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	18
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund	19 and 20
Statement of Net Position – Proprietary Funds	21 and 22
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	23 and 24
Statement of Cash Flows – Proprietary Funds	25 – 28
Statement of Fiduciary Assets and Liabilities – Agency Fund	29
Notes to Financial Statements.....	30 – 77

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the City's Net Pension Liability and Related Ratios.....	78
Schedule of City Contributions – Retirement Plan.....	79
Schedule of Changes in the City's Net OPEB Liability and Related Ratios.....	80
Schedule of City Contributions – OPEB Plan	81

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

COMBINING STATEMENTS AND SCHEDULES

Page

Nonmajor Governmental Funds:

(Special Revenue Funds, Capital Projects Funds and Permanent Funds)

Combining Balance Sheet – Nonmajor Governmental Funds.....	82 – 84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	85 – 87
Special Revenue Funds – Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual:	
Hotel/Motel Tax Fund	88
Multiple Grant Fund.....	89
Confiscated Assets Fund	90
Police Technology Fund.....	91
Court Technology Fund.....	92
Police Donations Fund.....	93
2020 CDBG Fund	94
Federal Relief Grant Fund.....	95
FEMA Fund.....	96
2008 CHIP Fund	97
Neighborhood Stabilization Fund	98
Neighborhood Stabilization 3 Fund	99
Tax Allocation Districts.....	100
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2009 Issue	101
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2016 Issue	102

Nonmajor Enterprise Funds:

Combining Statement of Net Position – Nonmajor Enterprise Funds.....	103 and 104
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds.....	105 and 106
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	107 – 110
Statement of Changes in Assets and Liabilities – Agency Fund.....	111
Balance Sheet – Component Units	112
Statement of Revenues, Expenditures and Changes in Fund Balance – Component Units	113
Statement of Revenues, Expenses and Changes in Net Position – Airport Authority	114
Statement of Cash Flows – Airport Authority	115

CITY OF GRIFFIN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

STATISTICAL SECTION

Page

FINANCIAL TRENDS

Net Position by Activity – Last Ten Fiscal Years.....	116
Changes in Net Position – Last Ten Fiscal Years	117 – 119
Fund Balances – Governmental Funds – 2011	120
Fund Balances – Governmental Funds – Last Nine Fiscal Years.....	121
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	122 and 123
General Governmental Tax Revenues by Source – Last Ten Fiscal Years	124

REVENUE CAPACITY

Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	125
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	126
Property Tax Levies and Collections – Last Ten Fiscal Years.....	127
Principal Property Taxpayers – Current Year and Nine Years Ago.....	128
Top Ten Sewer Customers – Current Year and Nine Years Ago	129
Top Ten Water Customers – Current Year and Nine Years Ago.....	130
Top Ten Electric Customers – Current Year and Nine Years Ago.....	131

DEBT CAPACITY

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	132
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	133
Legal Debt Margin Information – Last Ten Fiscal Years.....	134
Direct and Overlapping Governmental Activities Debt.....	135
Revenue Bond Coverage – Combined Public Utility Revenue Bonds – Last Ten Fiscal Years.....	136

DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic Statistics – Last Ten Fiscal Years.....	137
Principal Employers – Current Year and Nine Years Ago	138

OPERATING INFORMATION

Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years.....	139
Operating Indicators by Function – Last Ten Fiscal Years	140
Capital Asset Statistics by Function – Last Ten Fiscal Years	141

CITY OF GRIFFIN, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

TABLE OF CONTENTS (CONTINUED)

COMPLIANCE SECTION

	<u>Page</u>
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	142 and 143
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	144 and 145
Schedule of Expenditures of Federal Awards	146
Notes to Schedule of Expenditures of Federal Awards.....	147
Schedule of Findings and Questioned Costs	148 and 149
Summary Schedule of Prior Year Findings	150

INTRODUCTORY SECTION



November 2, 2020

Honorable Members of the Board of Commissioners
Citizens of the City of Griffin
City of Griffin, Georgia 30223

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Griffin, Georgia for the fiscal year ended June 30, 2020, is submitted herewith. In doing so, the City complies with State of Georgia, [O.C.G.A. § 36-81-7\(a\)\(1\)](#), that requires the governing authority of each unit of local government having a population in excess of 1,500 persons according to the latest estimate of population by the United States Bureau of the Census or its successor agency or expenditures of \$300,000.00 or more shall provide for and cause to be made an annual audit of the financial affairs and transactions of all funds and activities of the local government for each fiscal year of the local government.

Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including disclosures, rests with the City. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activities of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the City's financial activities have been included.

Mauldin & Jenkins, Certified Public Accountants, LLC, has issued an unmodified opinion on the City of Griffin's financial statements for the fiscal year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City of Griffin receives financial assistance through various federal grant programs. As required by the Single Audit Act Amendments of 1996 and the provisions of Uniform Guidance, audits of programs receiving federal grants have been performed for the fiscal year ended June 30, 2020. The required reports on supplementary information, compliance, internal controls, and various supplementary schedules are included under the Compliance Section.

The City of Griffin has prepared the financial statements to meet the current applicable requirements of the Governmental Accounting Standards Board (GASB), and in conformity with Generally Accepted Accounting Principles (GAAP).



Formal Transmittal

This report consists of management’s representations concerning the finances and policies of the City of Griffin. Consequently, management assumes full responsibility for the completeness and reliability of all of the information contained in this report. To provide a reasonable basis for making these representations, management of the City of Griffin has established a comprehensive internal control framework designed to protect the City’s assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Griffin’s financial statements in conformity with GAAP.

Profile of the Government

- *Population* – The City of Griffin is a municipal corporation created and existing under the laws of the State of Georgia and has as its formal name the “City of Griffin”. The City is located in the central portion of the State of Georgia approximately 40 miles south of the City of Atlanta. Griffin is centrally located in and is the county seat of Spalding County. The City was originally chartered in 1843. The City presently has a land area of approximately 14 square miles, located at approximately 943 feet above sea level, and has a population of 23,643.
- *General structure* – The City of Griffin is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by the State to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing Board.

The City’s form of government is Mayor and Commission. In accordance with the City’s Code of Ordinances and Charter, specifically [Article I and II](#), legislative powers are vested in a Board of Commissioners composed of seven citizens referred to collectively as the “commission”. The City is divided into six single-member election districts. Six commissioners are elected by the registered voters residing within each respective single-member district. All registered voters of the City elect the Mayor. Each candidate for commissioner must be a citizen of the State of Georgia and a resident of the City for at least six months. They must have attained the age of 18 years, and must be a qualified elector. Candidates must be a resident of the election district from which he or she offers as a candidate on the date of qualifying. Candidates must not have been convicted of a felony involving moral turpitude (unless such person’s civil rights have been restored and at least ten years have elapsed from the date of the completion of the sentence without a subsequent conviction of another felony involving moral turpitude) and must not be the holder of public funds illegally. Members of the Board of Commissioners serve four-year terms of office. The Board is elected on a non-partisan basis, and serves staggered terms. Elections are held every two years with three Commissioners on one cycle and four Commissioners on the next cycle. The Mayor is elected every four years.

Under the City’s Charter, a full-time City Manager is employed by and serves at the pleasure of the Board of Commissioners. The City Manager is the Chief Operating Officer of the City



government and is responsible for the efficient administration and day-to-day operations of all departments.

- *Types and levels of services* – The City of Griffin is a “full service” municipality that offers: water, wastewater, electricity, sanitation, public safety, and fiber technology. This includes police and fire protection; the construction and maintenance of streets, and other infrastructure; recreational and cultural activities including an eighteen-hole golf course. The City owns and operates approximately forty-one miles of dark fiber network providing the most advanced technology of fiber applications to the City of Griffin and Spalding County facilities. Having and owning a fiber network, the City has the opportunity to offer high-level, top performing network access to both large and small commercial businesses located within and around the City. Each service area mentioned functions as a department of the City and, therefore, included as an integral part of the City’s financial statements.
- *Component units* – Component units are functions of the City that are legally separate entities. These entities are in substance part of the City’s operations and, therefore, financial data from these is present in the CAFR.
 - *City of Griffin Main Street Program (Main Street)*: The Main Street program serves as a “community-driven” initiative focused on revitalizing older and more traditional business districts. The underlying premise of the Main Street concept is to encourage and foster economic development within the context of historic preservation in ways that are appropriate for today’s marketplace.
 - *City of Griffin Downtown Development Authority (DDA)*: The DDA is responsible for the revitalization strategy for Downtown Griffin. The DDA’s mission is to encourage economic activity in Griffin’s central business district by attracting businesses, residents, and visitors. The DDA works closely with the City’s Planning and Development Department, Economic Development Department, and Main Street program in assisting new businesses through the permitting process.
 - *City of Griffin – Spalding County Airport Authority*: The Airport Authority was formed in 2012 under an Intergovernmental Agreement (IGA) with the City of Griffin and Spalding County to provide financial support for airport operations. The City and County are working in partnership on a \$60 million dollar economic development project to relocate and expand the existing Griffin-Spalding County Municipal Airport.

The Federal Aviation Administration (FAA) will fund this project at 90 percent with FAA Airport Improvement Program (AIP) Trust Fund dollars and the City and County will jointly fund the remaining 10 percent in local matching funds, depending on the amount of Georgia Department of Transportation (GDOT) participation. The project, already well underway, and we estimate 5-7 years to completion.

- *Budget process* – In accordance with the State of Georgia, [O.C.G.A. § 36-81-3](#), the City’s annual budget serves as the foundation for the City of Griffin’s financial planning, control and professional management of City resources. The budget provides for setting priorities, and an

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orderly means of controlling cash flows and disbursements. All departments of the City of Griffin are required to submit requests for appropriations to the City Manager on or about March 1. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager then presents the proposed budget to the Board of Commissioners for review, prior to May 31. The Board of Commissioners is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30 (the close of the City's fiscal year).

- *Governmental funds with an annual appropriated budget* – The annual budget is prepared by fund, function, and department, for example: General Fund, Public Safety, Police, etc... Budget to actual comparisons are provided in this report for each individual fund for which an appropriated budget has been adopted. For the general fund, this comparison extends to the department level. Budget and actual comparisons for all governmental funds are presented in the other Required Supplementary Information (RSI) section of the financial statements.
- *Legal level of budgetary control* – The legal level of budgetary control is at the fund and department level. Department directors are allowed to make transfers within appropriated categories within the operational division. The Board of Commissioners approves appropriations budget revisions between departments. Budgetary control is maintained with monthly reviews of actual results compared to budget and with budget confirmation prior to the issuance of a purchase order.

City of Griffin's Economic Condition

- *Local economy* – During the past seven years, the City experienced and withstood nominal fluctuations in the housing market, the shifting of businesses in and out of City limits, and transition toward more food and beverage establishments. The latest real estate gross tax digest shows slight increases in overall market value. Through conservative planning and foresight, the City's Board of Commissioners held the City's property tax rate at 7.083 mils.

Diversified revenues come from two sources of activities: governmental and business-type activities. Governmental activities (or program revenues) include revenues from property taxes, sales taxes, charges for services, fines and forfeitures, and donations. Business-type activities (enterprise) are those functions that the City provides and operates for profit generation geared for reinvestment into infrastructure. Examples of infrastructure investment are electrical supply (power lines), water distribution (underground pipes), solid waste services (environmental cleanup), and City-County municipal airport.

The City of Griffin has an historic downtown filled with architecture and hometown feel. Driven by the service industry, this area provides small town charm with contemporary amenities and services. The greater region has a varied manufacturing and industrial base. As a region, the area's unemployment rate increased to 8.1 compared to 3.7 from the prior year (see Three Rivers Region Unemployment Rate). Major industries with corporate headquarters or divisions located within or near the City include medical, manufacturing, automotive parts, materials and packaging, retail (with specialty shops), and real estate development.



To facilitate the relocation of businesses within the City of Griffin, the Board of Commissioners has adopted numerous incentive programs such as the Opportunity Zone, Enterprise Zone, Tax Allocation District, and Utility Incentive Programs. Each of these programs would provide to a business looking to expand or relocate, various job tax credits, property tax abatements, infrastructure bonding and utility rate reductions. The economic future in Griffin remains positive.

- *Long-term financial planning* – The City has a [2018-2038 Comprehensive Plan](#) (PLAN). The PLAN can be found on the City’s website at www.cityofgriffin.com under Planning & Development. For more information and assistance, please contact Mr. Chad Jacobs, Department Director at 770-233-4130. The PLAN provides a rational basis for municipal decision-making on matters that relate to the City’s future. Matters range from protecting community values and guiding growth to providing adequate and quality community services. This document provides for economic development, land use, housing, and transportation. The intent of the PLAN is to guide and encourage the location, amount, type and timing of future development, supporting facilities, and securing the fiscal resources sufficient to address community needs.
- *Relevant financial policies* – In developing and evaluating the City’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits require estimates and judgments by management.

All internal control evaluations occur within the framework as mentioned above. We believe the City’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City operates under and maintains its Financial Management Program (FMP) policies. The FMP sets fiscal policies and guidelines, for example: investments, such as income generation, target rate of return, time horizon, asset allocation, restrictions, and maximum amounts per any one instrument. The Cash Receipts policy governs how the City receipts cash throughout operations and by what means.

The objective of the City’s budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Commissioners. Under State law, all expenditures are subject to an annual appropriation. Strict controls are in place to ensure that expenditures do not exceed appropriations at either the departmental or fund levels. Unutilized encumbrances (unexpended funds) lapse at the fiscal year end. Multi-year capital funds (or projects) may show a reservation of fund balance.

- *Retirement Plan, Defined Contribution Plan, and Other Post-Employment Benefits* – The City is a participant in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. On October 24,



2017, the City amended the GMEBS Retirement Plan to increase the multiplier to 2.0% from 1.5% effective, July 1, 2018, and added a retirement provision for City Commissioners, effective December 31, 2017. As a matter of policy, the City fully funds each year's annual required contribution to the pension plan as determined by the actuary. The City also offers a 457(B) Defined Contribution Plan, adopted August 10, 2010 open to all regular and full-time employees. See notes to financial statements, Note 7 for more detailed information about the Pension Plan.

The City also provides Other Post-Employment Benefits (OPEB) for health care to retirees on a pay-as-you-go basis. The OPEB plan provides a subsidy for medical and dental insurance benefits to eligible retirees. Benefit provisions and contribution requirements are established and may be amended by the City Commission. See notes to financial statements, Note 16 for more detailed information about Other Post-Employment Benefits.

- *Major initiatives –*
 - *Housing Revitalization* – Redevelopment/Revitalization is one of the most effective ways to breathe new life into deteriorated areas plagued by social, physical, environmental or economic conditions that act as a barrier to new investment by private enterprise. Through redevelopment, we use various catalysts to focus attention and financial investment to reverse deteriorating trends, create jobs, revitalize the business climate, rehabilitate and construct new homes that add to the City's housing stock. Meriwether Homes Redevelopment is a three-phase redevelopment of an existing public housing development known as Meriwether Homes in the City of Griffin, Spalding County, Georgia. The first phase of this project, for families consisting of 84 mixed income units, has the distinction for Low-Income Housing Tax Credits (LIHTC) as of 2013. Construction started in the fall of 2014 and subsequently completed in the fall of 2015. We completed Phase II of the redevelopment project in December 2017. The 85 units consist of housing for age 55 and older persons, in one and two bedroom units. The 85 mixed income units serve a wide range of households, ranging from zero to 60% of the Area Median Income. Phase III is a continuation of Phase II offering an additional 64 units to the mix. These units overlook the Griffin Municipal Golf Course.
 - *Blight Removal* – The goal is to enhance neighborhood vitality through removing debris and overgrown vegetation, securing structurally sound buildings, and demolishing those that are a blight to the neighborhood and community. Stable neighborhoods instill pride and foster reinvestment. We continue to work in an effort to address barriers to redevelopment using resources provided by the U.S. Housing and Urban Development through its Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP) and other program initiatives to ensure safe, quality, long-term affordable housing for all residents. In conjunction with a program to demolish a minimum of thirty-five (35) houses per year through the City's Nuisance Abatement Program, the City formed a partnership with the Griffin Housing Authority and the Land Bank Authority. This alliance works to establish affordable housing opportunities for residents, and establish a housing rehabilitation program that assists low-income homeowners with repairs for substandard housing conditions.



- *Community Development Block Grants* – The City received over \$5.0 million in Community Development Block Grants (CDBG) in the past eight years. The purpose of these grants is to assist the City in accomplishing multi-infrastructure improvements. Specifically, CDBG funds helped replace or rehabilitate 6.68 miles of water mains, 2.3 miles of sewer lines, replace 109 sewer manholes, renew 700 water services lines, and install 69 new fire hydrants.
- *Livable Centers Initiative (LCI)* – Beginning in 2006, the City of Griffin realized its downtown needed to be more pedestrian friendly and update its appearance to maintain and attract new businesses. The LCI project includes full-depth angled parking spaces and reductions to one-lane traffic patterns that share bike lanes. Bump-outs at intersections allow for more pedestrian-friendly street crossings. Improved landscaping, handicap access ramps, bicycle parking racks, benches, trash receptacles, and improved street crossings are all part of the project. This represents a \$6 million dollar investment in the City’s downtown district.
- *Water and Wastewater Infrastructure* – Shoal Creek Wastewater Treatment Plant upgrade project will cost around \$8 million in order to replace the headworks and dewater settling ponds. The City is working in partnership with Georgia Environmental Facilities Authority (GEFA) for financing. Heads Creek Reservoir Dam is currently under review and the cost estimate is approximately 7 million dollars.
- *Stormwater Utility* – A GEFA loan was secured in 2019 for stormwater infrastructure replacement and maintenance projects to include the evaluation, design, and rehabilitation of an existing drainage structure under the City’s Veteran’s Memorial Park. This included utilizing “trenchless” technology to prevent relocation of many of the City’s war monuments and eternal memorial flame. A portion of the loan was utilized to replace and redesign a 72” pipe and drainage system that drains to the City’s municipal golf course. Included in the design is a proprietary litter trapping device, designed to catch floatable litter and reduce pollution in the watershed. The third component of the GEFA loan was designated to assess, redesign, and replace 51 minor drainage structures that were deemed “high priority” in a 2017 engineering study. These structures are located primarily in the City’s right-of-way and affect travel, private residences, and local businesses alike.
- *Transportation Planning* – The City and County are working together on transportation projects and funding in the form of Special Purpose Local Option Sales Tax (SPLOST). Over the next four years, the City will coordinate approximately \$5 million for paving city streets and spend roughly \$1.3 million on traffic signal upgrades throughout the City. Intersection and pedestrian crosswalk improvements will occur depending on available funding.
- *Incentives* – The City offers numerous incentive programs, in addition to Opportunity and Enterprise Zones, such as Tax Allocation Districts (or Tax Increment Financing), job tax credits, and infrastructure bonding. More specific programs are available such as:



- Semi-Annual Façade Grant Programs that offer up to \$5,000 of the cost to renovate the exterior of a new business location.
- The City offers up to \$250,000 available credit financed at 2% interest rate for 40% of a project through the state Downtown Development Revolving Loan Fund.
- An additional \$250,000 available at a 3.5% interest rate, from the Georgia Cities Fund, for a project where 40% of the project exceeds \$250,000.
- Up to \$10,000 available at a low interest rate from the DDA's Internal Revolving Loan Fund.
- Discounted Design Assistance for buildings located in the Main Street District.
- Direct, Dedicated (or Shared) Fiber Optic Internet available through The City of Griffin Fiber Program.
- FREE Business plan and general business educational support through the UGA Small Business Development Center.
- Up to a 30% reduction on electric, water/sewer, and solid waste rates for the first three years as a new business.
- Part of the Downtown is located in an Enterprise Zone that allows for partial abatement of post-assessed rehabilitation property taxes.
- Almost all of the Downtown is located within a Federal Opportunity Zone that allows an investor to defer tax on prior gains invested in a Qualified Opportunity Fund and reinvest those gains for additional tax-free gains in a business or property located within the Federal Enterprise Zone.
- Based on the amount of capital to be invested in a project, the amount of new jobs created, and the utility demands of the space, there may be additional incentives, not listed here, that can be offered.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Griffin, Georgia for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 16th consecutive year that the City of Griffin has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

The timely preparation and publication of this Comprehensive Annual Financial Report represents significant effort of the Accounting and Finance Divisions of the Department of Administrative

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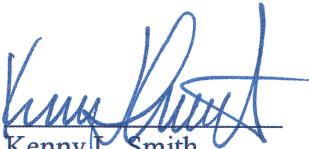
Board Of Commissioners: Cynthia Ward, Chair • Cora Flowers • Truman Tinsley • David Brock • Holly Murray • Rodney McCord • Doug Hollberg, Mayor

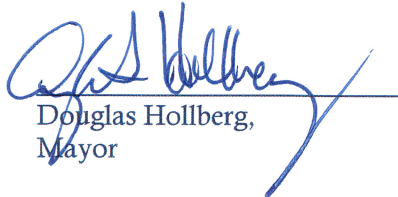


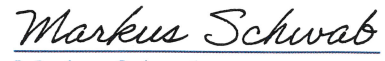
Services, as well as the excellent cooperation and assistance of City of Griffin employees and independent auditors, Mauldin & Jenkins, Certified Public Accountants, LLC, who contributed to its preparation. In particular, we wish to express our appreciation to the Accounting and Finance staff who were responsible for assimilating and compiling the data comprising this report.

We express our sincere appreciation to the Board of Commissioners, City Manager, and Department Directors for their assistance and leadership throughout the year in matters pertaining to the financial affairs of this great City.

Respectfully submitted,

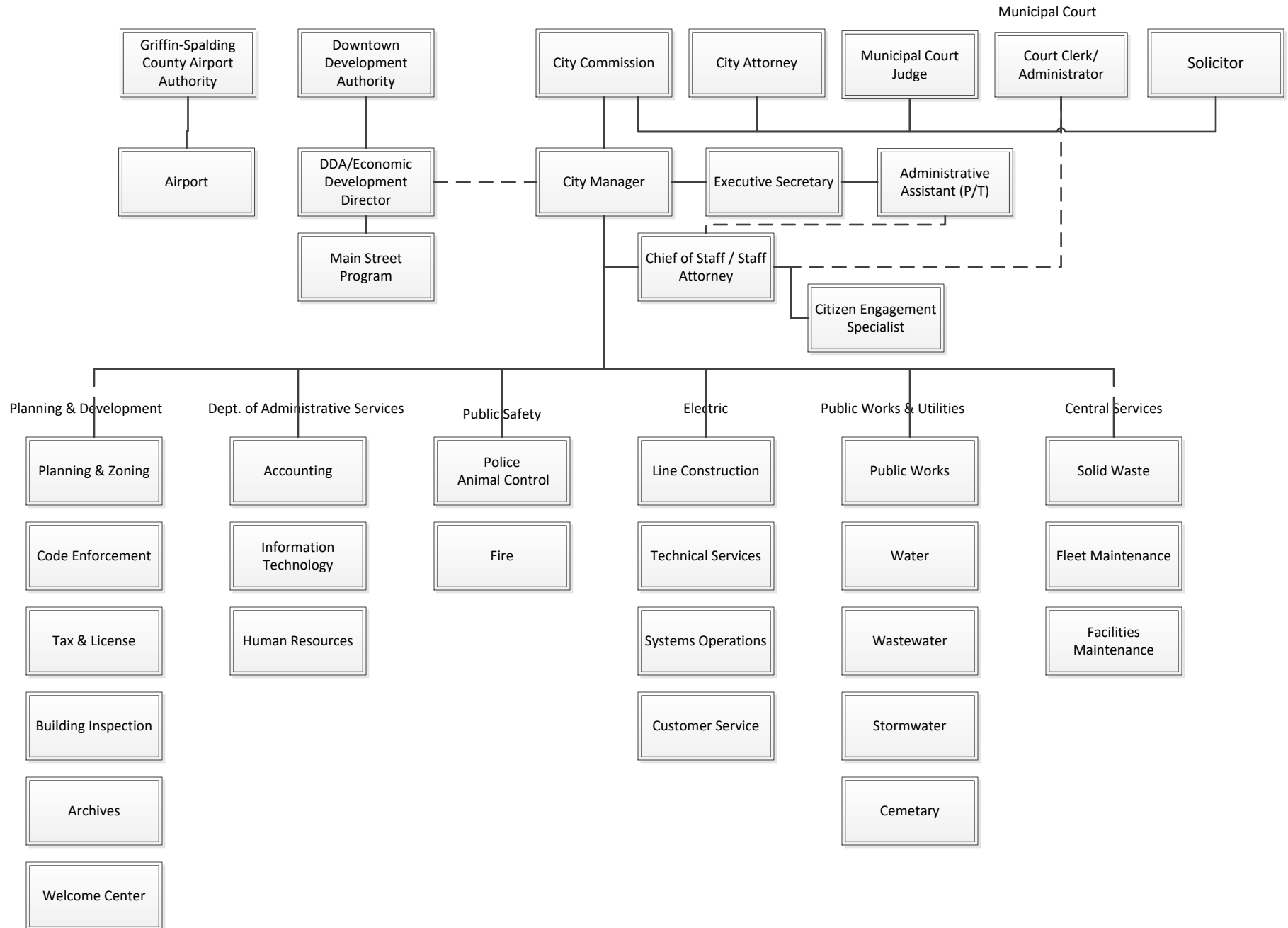

Kenny L. Smith,
City Manager


Douglas Hollberg,
Mayor


Markus Schwab,
CPA/CITP/CGMA,
Chief Financial Officer

CITY MANAGER

2019/2020



CITY OF GRIFFIN, GEORGIA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2020

Mayor

Douglas S. Holberg

Commissioners

District I	Cynthia Reid Ward
District II	Cora Flowers
District III	Holly Murray
District IV	David Brock
District V	Truman L. Tinsley III
District VI	Rodney McCord

Appointed Officials

City Manager	Kenny Smith
City Attorney	Andrew Whalen, Esq.
Municipal Court Judge	Griffin E. Howell, III
Municipal Court Solicitor	L. Scott Mayfield

Directors

Deputy City Manager	Jessica O'Connor, Esq.
Chief Financial Officer	Markus Schwab, CPA/CITP/CGMA
Public Works Director	Christopher Walker
Developmental Services Director	Chad Jacobs
Watershed Management Director	Brant Keller, PhD
Electric Director	Jennifer Freeman



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Griffin
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Members
of the City Commission
City of Griffin, Georgia
Griffin, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Griffin, Georgia** (the "City"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on page 78), the Schedule of City Contributions – Retirement Plan (on page 79), the Schedule of Changes in the City's Net OPEB Liability and Related Ratios (on page 80), and the Schedule of City Contributions – OPEB Plan (on page 81) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of Special Purpose Local Option Sales Tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia Annotated § 48-8-121, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedules of expenditures of Special Purpose Local Option Sales Tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedules of expenditures of Special Purpose Local Option Sales Tax proceeds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
November 2, 2020

CITY OF GRIFFIN, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2019

As management of the City of Griffin, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Griffin, Georgia for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City plus deferred outflows of resources exceeded its liabilities plus deferred inflows at the close of the most recent fiscal year by \$183,446,742 (*net position*). Of this amount, \$54,262,281 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$18,643,454 during the year. This is due primarily to the increase in capital assets of \$18,815,740. The majority of this relates to Water/Wastewater capital improvements.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$26,001,192, an increase of \$2,292,068 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was \$12,975,956, or 49.1%, of total General Fund expenditures.
- The City's total long-term liabilities increased by \$13,850,033 during the current fiscal year. This included the City's Net Pension Liability of \$33,136,121.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, judicial, public safety, public works, parks and recreation, and housing and development. The business-type activities of the City include water and wastewater, electric, solid waste, stormwater, telecommunications, welcome center operations, and golf course operations.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and 2016 SPLOST Fund only, because they are considered major funds. Data from the other 18 governmental funds (13 special revenue funds, two capital projects funds, and three permanent funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16 – 20 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds. The City maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water/Wastewater Utility Fund, Electric Utility Fund, Solid Waste Fund, Stormwater Utility Fund, Telecommunications Fund, Welcome Center Fund, and the Golf Course Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally across the City's various functions. The City uses an internal service fund to account for its motor vehicle fleet and payroll function. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water/Wastewater Utility Fund, Electric Utility Fund, and Solid Waste Fund, all of which are considered to be major funds of the City. Conversely, the nonmajor enterprise funds and the internal service funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 21 –287 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 – 77 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 78 – 102 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows at the close of the most recent fiscal year by \$183,446,742 (*net position*).

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the City's net position (60.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Griffin's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 39,021,409	\$ 34,088,023	\$ 78,413,886	\$ 69,983,561	\$ 117,435,295	\$ 104,071,584
Capital assets	46,158,925	42,568,693	157,261,843	155,400,046	203,420,768	197,968,739
Total assets	85,180,334	76,656,716	235,675,729	225,383,607	320,856,063	302,040,323
Deferred outflows of resources	7,559,965	2,517,023	6,330,943	2,806,305	13,890,908	5,323,328
Other liabilities	3,168,648	2,018,222	8,764,921	12,283,757	11,933,569	14,301,979
Long-term liabilities outstanding	29,865,419	24,426,245	106,283,038	97,872,179	136,148,457	122,298,424
Total liabilities	33,034,067	26,444,467	115,047,959	110,155,936	148,082,026	136,600,403
Deferred inflows of resources	1,949,965	3,595,192	1,268,238	2,364,768	3,218,203	5,959,960
Net position:						
Net investment in capital assets	39,001,235	33,376,373	71,580,894	71,716,224	110,582,129	105,092,597
Restricted	16,334,895	13,980,926	2,267,437	2,200,058	18,602,332	16,180,984
Unrestricted	2,420,137	1,776,781	51,842,144	41,752,926	54,262,281	43,529,707
Total net position	\$ 57,756,267	\$ 49,134,080	\$ 125,690,475	\$ 115,669,208	\$ 183,446,742	\$ 164,803,288

A portion of the City's net position (10.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$54,262,281) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities, with the exception of the Police Technology Fund, CDBG 20 fund, Federal Relief Fund and the Solid Waste Fund. The Police Technology Fund's deficit fund balance of (\$5,894) is the result of timing differences and will be reduced through intergovernmental revenues and general fund transfers. The CDBG 20 Fund of (\$1,970) is due to a timing difference for the receipts. The Federal Relief Fund of (\$1,194,207) is due to a timing difference in revenues. The Solid Waste Fund's deficit net position of (\$6,611,059) is the result of an adjustment to the closure/post-closure care costs. The Department of Natural Resources permitted a new phase for the C&D Landfill. We filled in the original phase which increased post-closure costs by \$858,568. The remainder is the result of implementation of GASB 68 and 71 and will be reduced through charges for services.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities. Governmental activities during the fiscal year ended June 30, 2020, increased the City's net position by \$8,622,187. Business-type activities during the same period increased net position by \$10,021,267 for a total increase in net position of \$18,643,454.

Key elements of this increase are as follows:

City of Griffin's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues						
Charges for services	\$ 8,027,498	\$ 7,692,630	\$ 88,305,426	\$ 85,656,654	\$ 96,332,924	\$ 93,349,284
Operating grants and contributions	142,223	210,833	-	-	142,223	210,833
Capital grants and contributions	7,423,291	5,333,937	47,872	259,362	7,471,163	5,593,299
General revenues:						
Property taxes	4,692,316	4,879,013	-	-	4,692,316	4,879,013
Sales taxes	4,234,202	3,901,905	-	-	4,234,202	3,901,905
Insurance premium tax	1,768,610	1,667,303	-	-	1,768,610	1,667,303
Other taxes	1,890,980	1,590,595	-	-	1,890,980	1,590,595
Franchise taxes	518,876	500,567	-	-	518,876	500,567
Unrestricted investment earnings	287,965	316,886	1,689,299	1,701,873	1,977,264	2,018,759
Gain on sale of capital assets	65,070	15,587	-	-	65,070	15,587
Total revenues	<u>29,051,031</u>	<u>26,109,256</u>	<u>90,042,597</u>	<u>87,617,889</u>	<u>119,093,628</u>	<u>113,727,145</u>
Expenses:						
General government	4,394,221	6,390,256	-	-	4,394,221	6,390,256
Judicial	356,904	385,072	-	-	356,904	385,072
Public safety	16,099,234	16,861,029	-	-	16,099,234	16,861,029
Public works	4,876,652	4,836,268	-	-	4,876,652	4,836,268
Parks and recreation	447,893	497,250	-	-	447,893	497,250
Housing and development	1,724,904	1,239,173	-	-	1,724,904	1,239,173
Interest on long-term debt	127,403	130,831	-	-	127,403	130,831
Water and wastewater	-	-	18,231,671	17,821,674	18,231,671	17,821,674
Electric	-	-	40,718,967	41,232,826	40,718,967	41,232,826
Solid Waste	-	-	8,658,174	8,644,253	8,658,174	8,644,253
Stormwater	-	-	2,343,956	2,404,415	2,343,956	2,404,415
Welcome Center	-	-	1,666,578	128,543	1,666,578	128,543
Telecommunications	-	-	96,949	79,321	96,949	79,321
Golf Course	-	-	706,668	685,707	706,668	685,707
Total expenses	<u>28,027,211</u>	<u>30,339,879</u>	<u>72,422,963</u>	<u>70,996,739</u>	<u>100,450,174</u>	<u>101,336,618</u>
Change in net position before transfers	<u>1,023,820</u>	<u>(4,230,623)</u>	<u>17,619,634</u>	<u>16,621,150</u>	<u>18,643,454</u>	<u>12,390,527</u>
Transfers	<u>7,598,367</u>	<u>7,681,614</u>	<u>(7,598,367)</u>	<u>(7,681,614)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>8,622,187</u>	<u>3,450,991</u>	<u>10,021,267</u>	<u>8,939,536</u>	<u>18,643,454</u>	<u>12,390,527</u>
Net position, beginning	<u>49,134,080</u>	<u>45,683,089</u>	<u>115,669,208</u>	<u>106,729,672</u>	<u>164,803,288</u>	<u>152,412,761</u>
Net position, ending	<u>\$ 57,756,267</u>	<u>\$ 49,134,080</u>	<u>\$ 125,690,475</u>	<u>\$ 115,669,208</u>	<u>\$ 183,446,742</u>	<u>\$ 164,803,288</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

As can be seen above, the governmental activities show a deficit of revenues over expenses before transfers of \$1,023,820 and (\$4,230,623) for 2020 and 2019, respectively. These deficiencies are normal and consistent throughout all fiscal years. This increase in revenues was primarily due to more tax receipts and capital grants in fiscal year 2020 as compared to fiscal year 2019. The City relies on the superior earnings of the enterprise funds (specifically the Water/Wastewater and Electric Funds) to subsidize the operations of the General Fund. The transfer from those funds can be thought of as dividends paid to stockholders or return of equity to the owners of a business, and they can be used for whatever purpose the City Commission decides is best for the City.

Traditionally, the City has relied upon those transfers to maintain the ad valorem tax rates at a reasonable level. In the absence of those transfers, the City would either have to raise the shortfall in revenues through increases in user fees or taxes, or to cut back the level of services it provides to the citizens.

Business-type activities. The City's business-type activities which include the Water/Wastewater Fund, Electric Utility Fund, Solid Waste Fund, and four nonmajor funds increased net position by \$10,404,517 in 2020 and increased net position by \$9,351,279 in 2019.

City of Griffin Enterprise Net Operating Income (Loss) Nonoperating Revenues (Expenses) and Transfers (Fund Level)

	2020	2019
Net operating income (loss):		
Water/Wastewater Fund	\$ 8,301,366	\$ 7,901,690
Electric Utility Fund	12,775,264	10,867,141
Solid Waste Fund	(1,193,740)	(1,515,427)
Nonmajor Enterprise Funds	207,980	(8,042)
Total net operating income	20,090,870	17,245,362
Nonoperating expenses and capital contributions	(2,087,986)	(212,469)
Income before transfers	18,002,884	17,032,893
Net transfers out	(7,598,367)	(7,681,614)
Changes in net position	\$ 10,404,517	\$ 9,351,279

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

At the end of 2020 and 2019, the combined ending fund balances of the City's governmental funds were a positive \$28,293,260 and a positive \$26,001,192, respectively. This increase was due to increased revenues and a decrease in expenditures. At June 30, 2020, \$11,499,728 of the ending fund balance consists of unassigned fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. A portion of the fund balance at June 30, 2020, \$3,227,157, is termed non-spendable to indicate that it is not available for new spending because it is not in spendable form (i.e., prepaid items, assets held for resale and permanent fund principle). The remainder of \$13,616,375 is restricted for assets held for resale, law enforcement needs, cemetery maintenance, and capital projects.

The General Fund is the primary operating fund of the City. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, and administration. At the end of 2020, the General Fund had a positive fund balance of \$12,975,956. This is an increase of \$1,136,896 from the beginning fund balance. This is primarily due to the expenditures in the General Fund coming in \$2,577,072 under budget. Specifically, the category of public safety came in under budget \$1,624,108 and public works under budget of \$500,806.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The net position of the City's enterprise funds increased by \$10,021,267 in 2020, and by \$8,989,536 in 2019. This increase is primarily a result of revenues exceeding expenses before transfers and capital contributions of \$17,619,634 in 2020, and \$16,773,531 in 2019.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ended June 30, 2020, governmental activities and business-type activities had capital assets of \$203,420,768 (net of accumulated depreciation) invested in land, buildings, system improvements, infrastructure, and machinery and equipment. The total increase in the City's investment in capital assets for the current fiscal year was 18.91% (an 8.04% increase for governmental activities and a 1.98% increase for business-type activities). The total increase in capital assets was due mostly to various construction projects in the SPLOST and improvements to Water/Waste Water fund infrastructure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Griffin's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 3,266,876	\$ 2,878,199	\$ 7,354,903	\$ 7,720,403	\$ 10,621,779	\$ 10,598,602
Land improvements	-	-	1,061,059	563,355	1,061,059	563,355
Buildings and improvements	5,774,551	4,729,016	13,073,347	15,238,965	18,847,898	19,967,981
Improvements other than buildings	-	-	106,736,038	106,661,937	106,736,038	106,661,937
Machinery and equipment	4,862,080	5,498,891	5,344,140	5,626,428	10,206,220	11,125,319
Infrastructure	9,340,601	9,857,395	-	-	9,340,601	9,857,395
Construction in progress	22,914,817	19,605,192	23,692,356	19,588,958	46,607,173	39,194,150
Total	\$ 46,158,925	\$ 42,568,693	\$ 157,261,843	\$ 155,400,046	\$ 203,420,768	\$ 197,968,739

Additional information on the City's capital assets can be found in Note 5 on pages 49 – 52 of this report.

Debt Administration. At the end of June 30, 2020, the City had \$29,865,419 of outstanding long-term liabilities related to governmental activities and \$101,036,016 of long-term liabilities related to business-type activities for a total of \$130,901,435 compared to the previous year's total of \$121,082,245. This is an increase of \$9,819,190, the majority of which is the result of notes payable in the water fund for major capital improvements. At the end of 2020, the City had total revenue bonded debt outstanding of \$45,274,957 as compared to \$48,335,655 in 2019. The debt is secured solely by specified revenue sources (i.e., revenue bonds). The majority of the bonded debt outstanding is from the refunding of the issuance of \$64,385,000 of Combined Public Utility Revenue Refunding and Improvement Bonds (Series 2002) in 2012. These bonds, along with other available funds, were used to refund \$6,210,000 of the Series 1993A bonds, initially fund approximately 33 months of interest on the Series 2002 bonds, and construct improvements and a new regional water supply system for the Water/Wastewater Fund. The issuance of the series 2012 refunding bonds allowed for a net savings to the City of approximately \$8.2 million. The City received a rating from Moody's on this issuance of Aa3 and a rating from Standard & Poor's of AA-.

Additional information on the City's debt can be found in Note 6 on pages 52 – 61 of this report.

Currently Known Conditions Affecting Future Operations

COVID-19 Disclosure for Coronavirus Aid, Relief, and Economic Security (CARES) Act

On March 14, 2020, the Federal Emergency Management Association ("FEMA") declared a national state of emergency. The City immediately shifted to an alternating work schedule and closed buildings to the public, in efforts to minimize exposure risks inherent in the workplace. The City maintained its alternating work schedule until May 2020 when it returned to normal operating schedules and reopened to the public. The City modified its operations to incorporate additional safety measures including, and not limited to, temperature checks for all citizens entering public facilities, enhanced daily cleaning cycles and sanitizing workstations, and installing plastic windows as safety barriers between customers and staff. This is now part of the City's normal operating procedures and protocols.

MANAGEMENT'S DISCUSSION AND ANALYSIS

On March 27, 2020 the President signed the CARES Act into public law 116-136. Title V of the CARES act created the Coronavirus Relief Fund (“CRF”) to provide financial resources to state and local governments. On June 29, 2020, Georgia Governor Kemp signed the Georgia CARES Act into effect to provide funding to Georgia communities. Georgia issued the program as **Phase One** with a 30% allocation for immediate funding to cities and counties. The remaining 70% was made available on a reimbursement basis.

The Governor’s emergency declaration effectively changed the mission and direction for public safety personnel. Through the Georgia CARES Act funding initiative, the City applied for and was awarded \$1,194,207.77 of which \$358,262.33 (30%) was funded immediately on July 29, 2020. The remainder of \$835,945.44 was reimbursed on September 4, 2020. CARES Act funds were used to cover Uniform Patrol Division payroll costs for March through June. The City placed these funds in a reserved account within its General Fund pending future appropriation. The Board has yet to decide on or designate funds for a program, etc.

The extent of the impact of COVID-19 on the City’s operational and financial performance will depend on future developments, including the duration and spread of the outbreak; possible vaccine; and other related variables, and therefore, the related financial impact and duration cannot be reasonably estimated at this time.

Factors Affecting the FY21 – FY21 Budget

House Bill 182 Economic Nexus Threshold for Sales and Use Tax

On April 28, 2019, Governor Kemp signed House Bill 182 (HB 182) that became effective January 1, 2020. HB 182 lowered the economic nexus threshold to just over \$100,000 of gross revenue or 200 or more separate retail sales for retailers making sales of tangible personal property outside Georgia for delivery to purchasers in Georgia. Economic nexus rules stem from the **United States Supreme Court decision in *South Dakota v. Wayfair*** (U.S., No. 17-494) in 2018. HB 182 requires retailers to collect sales and use taxes from the purchasers if their sales for the current or previous calendar year exceed the threshold. As a result, the City experiences positive revenue growth in its Local Option Sales Tax (“LOST”) and Special Purpose Local Option Sales Tax (“SPLOST”) programs since April 2020 and continues to do so.

The Commission of the City of Griffin considered many factors when approving the City’s 2021 budget and are very aware of present economic conditions and its effect on its citizens. The Commission chose to continue to use transfers from the business-type activities to the governmental activities instead of increasing taxes or rates within the governmental activities. There were no contemplated increases to the rates of the business-type activities.

Annually, the City Manager submits to the Commission a proposed operating budget for the coming fiscal year which is required to be approved prior to June 30. Public hearings are held prior to adoption to allow citizens the opportunity to comment on the proposed budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Budgets are adopted for the General Fund, all special revenue funds, all capital projects funds, and the City's enterprise funds. Budgets for the enterprise funds are prepared for planning and control purposes only. The legal level of budgetary control is the department level, with the Commissioners being the only body authorized to make amendments to the budget. During the year, there were no significant increases in appropriations between the original budget and the final amended budget for the City's General Fund.

Requests for Information

This financial report is designed to provide a general overview of the City of Griffin's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mr. Kenny Smith, City Manager, at the City of Griffin, P.O. Box T, Griffin, Georgia 30224.

CITY OF GRIFFIN, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2020

ASSETS	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association	Griffin-Spalding County Airport Authority
Cash and cash equivalents	\$ 22,833,604	\$ 7,214,715	\$ 30,048,319	\$ 64,094	\$ 129,492	\$ -	\$ 1,224,780
Investments	13,237,297	40,603,640	53,840,937	-	-	-	-
Taxes receivable	1,043,790	-	1,043,790	-	-	-	-
Accounts receivable, net of allowances	1,097,257	12,464,779	13,562,036	-	-	-	260,117
Due from other governments	715,229	194,589	909,818	-	-	-	2,815,000
Due from component units	6,307	374,161	380,468	-	-	-	-
Due from primary government	-	-	-	64,228	119,544	-	2,815,000
Internal balances	(4,102,948)	4,102,948	-	-	-	-	-
Inventories	220,954	2,341,180	2,562,134	-	-	-	30,586
Prepaid expenses	2,190,001	557,691	2,747,692	-	-	-	-
Restricted assets:							
Cash and cash equivalents	-	3,473,666	3,473,666	-	-	-	-
Investments	-	6,068,033	6,068,033	-	-	-	-
Assets held for resale	184,480	-	184,480	-	-	-	-
Net other post-employment benefits asset	1,595,438	1,018,484	2,613,922	-	-	-	2,801
Capital assets:							
Nondepreciable	26,181,693	31,047,259	57,228,952	16,870	62,846	-	8,016,295
Depreciable, net	19,977,232	126,214,584	146,191,816	-	-	-	2,403,479
Total assets	85,180,334	235,675,729	320,856,063	145,192	311,882	-	17,568,058
DEFERRED OUTFLOWS OF RESOURCES							
Pension	7,418,784	5,364,813	12,783,597	-	-	-	105,427
Other post-employment benefits	141,181	90,126	231,307	-	-	-	248
Deferred charges on refundings	-	876,004	876,004	-	-	-	-
Total deferred outflows of resources	7,559,965	6,330,943	13,890,908	-	-	-	105,675
LIABILITIES							
Accounts payable	2,141,530	4,545,397	6,686,927	838	-	-	12,639
Accrued liabilities	843,346	597,213	1,440,559	-	-	-	105,872
Due to primary government	-	-	-	38,412	3,322	-	338,734
Due to component unit	183,772	-	183,772	-	-	-	-
Unearned revenues	-	22,208	22,208	238	-	-	63,901
Customer deposits payable	-	3,600,103	3,600,103	-	-	-	-
Capital leases due within one year	171,736	350,188	521,924	-	-	-	-
Capital leases due in more than one year	586,488	1,058,861	1,645,349	-	-	-	-
Notes payable due within one year	-	1,160,980	1,160,980	-	-	-	-
Notes payable due in more than one year	-	38,711,967	38,711,967	-	-	-	-
Bonds payable due within one year	1,768,811	2,890,000	4,658,811	-	-	-	490,000
Bonds payable due in more than one year	4,630,655	42,384,957	47,015,612	-	-	-	5,377,374
Compensated absences due within one year	563,244	400,121	963,365	-	-	-	8,493
Compensated absences due in more than one year	99,396	70,610	170,006	-	-	-	1,499
Net pension liability due in more than one year	19,230,089	13,906,032	33,136,121	-	-	-	273,277
Due to Griffin-Spalding County Airport Authority, within one year	245,000	-	245,000	-	-	-	-
Due to Griffin-Spalding County Airport Authority, in more than one year	2,570,000	-	2,570,000	-	-	-	-
Landfill post-closure care costs due within one year	-	102,300	102,300	-	-	-	-
Landfill post-closure care costs due in more than one year	-	5,247,022	5,247,022	-	-	-	-
Total liabilities	33,034,067	115,047,959	148,082,026	39,488	3,322	-	6,671,789
DEFERRED INFLOWS OF RESOURCES							
Pension	276,466	199,923	476,389	-	-	-	3,930
Other post-employment benefits	1,673,499	1,068,315	2,741,814	-	-	-	2,939
Total deferred inflows of resources	1,949,965	1,268,238	3,218,203	-	-	-	6,869
NET POSITION							
Net investment in capital assets	39,001,235	71,580,894	110,582,129	16,870	62,846	-	10,182,400
Restricted for:							
Debt service	-	1,528,968	1,528,968	-	-	-	-
Law enforcement	347,087	-	347,087	-	-	-	-
Cemetery maintenance:							
Expendable	1,872,780	-	1,872,780	-	-	-	-
Nonexpendable	2,903,000	-	2,903,000	-	-	-	-
Capital projects	11,212,028	738,469	11,950,497	-	-	-	-
Unrestricted	2,420,137	51,842,144	54,262,281	88,834	245,714	-	812,675
Total net position	\$ 57,756,267	\$ 125,690,475	\$ 183,446,742	\$ 105,704	\$ 308,560	\$ -	\$ 10,995,075

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position								
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units					
					Governmental Activities	Business-type Activities	Total	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association	Griffin-Spalding County Airport Authority		
Primary government													
Governmental activities:													
General government	\$ 4,394,221	\$ 5,757,419	\$ -	\$ -	\$ 1,363,198	\$ -	\$ 1,363,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Judicial	356,904	-	-	-	(356,904)	-	(356,904)	-	-	-	-	-	-
Public safety	16,099,234	1,124,575	142,223	132,684	(14,699,752)	-	(14,699,752)	-	-	-	-	-	-
Public works	4,876,652	216,153	-	7,290,607	2,630,108	-	2,630,108	-	-	-	-	-	-
Parks and recreation	447,893	186,715	-	-	(261,178)	-	(261,178)	-	-	-	-	-	-
Housing and economic development	1,724,904	742,636	-	-	(982,268)	-	(982,268)	-	-	-	-	-	-
Interest on long-term debt	127,403	-	-	-	(127,403)	-	(127,403)	-	-	-	-	-	-
Total governmental activities	<u>28,027,211</u>	<u>8,027,498</u>	<u>142,223</u>	<u>7,423,291</u>	<u>(12,434,199)</u>	<u>-</u>	<u>(12,434,199)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities													
Water and wastewater	18,231,671	24,409,982	-	47,872	-	6,226,183	6,226,183	-	-	-	-	-	-
Electric	40,718,967	53,449,330	-	-	-	12,730,363	12,730,363	-	-	-	-	-	-
Solid waste	8,658,174	7,195,397	-	-	-	(1,462,777)	(1,462,777)	-	-	-	-	-	-
Stormwater	2,343,956	2,448,059	-	-	-	104,103	104,103	-	-	-	-	-	-
Welcome Center	1,666,578	-	-	-	-	(1,666,578)	(1,666,578)	-	-	-	-	-	-
Telecommunications	96,949	477,922	-	-	-	380,973	380,973	-	-	-	-	-	-
Golf course	706,668	324,736	-	-	-	(381,932)	(381,932)	-	-	-	-	-	-
Total business-type activities	<u>72,422,963</u>	<u>88,305,426</u>	<u>-</u>	<u>47,872</u>	<u>-</u>	<u>15,930,335</u>	<u>15,930,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 100,450,174</u>	<u>\$ 96,332,924</u>	<u>\$ 142,223</u>	<u>\$ 7,471,163</u>	<u>(12,434,199)</u>	<u>15,930,335</u>	<u>3,496,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units													
Griffin Main Street	\$ 13,295	\$ -	\$ 96,774	\$ -	-	-	-	83,479	-	-	-	-	-
Griffin Downtown Development Authority	16,588	-	180,494	-	-	-	-	-	163,906	-	-	-	-
Griffin Business and Tourism Association	247,576	-	-	-	-	-	-	-	-	(247,576)	-	-	-
Griffin-Spalding County Airport Authority	934,455	498,005	460,075	120,989	-	-	-	-	-	-	-	144,614	-
Total component units	<u>\$ 1,211,914</u>	<u>\$ 498,005</u>	<u>\$ 737,343</u>	<u>\$ 120,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,479</u>	<u>163,906</u>	<u>(247,576)</u>	<u>-</u>	<u>144,614</u>	<u>-</u>
General revenues:													
Property taxes					4,692,316	-	4,692,316	-	-	-	-	-	-
Sales taxes					4,234,202	-	4,234,202	-	-	-	-	-	-
Insurance premium tax					1,768,610	-	1,768,610	-	-	-	-	-	-
Alcoholic beverage taxes					695,933	-	695,933	-	-	-	-	-	-
Business occupational taxes					442,940	-	442,940	-	-	-	-	-	-
Franchise taxes					518,876	-	518,876	-	-	-	-	-	-
Other taxes					752,107	-	752,107	-	-	-	-	-	-
Unrestricted investment earnings					287,965	1,689,299	1,977,264	-	88	-	-	5,775	-
Gain on sale of capital assets					65,070	-	65,070	-	-	-	-	586,746	-
Transfers					7,598,367	(7,598,367)	-	-	-	-	-	-	-
Total general revenues and transfers					<u>21,056,386</u>	<u>(5,909,068)</u>	<u>15,147,318</u>	<u>-</u>	<u>88</u>	<u>-</u>	<u>-</u>	<u>592,521</u>	<u>-</u>
Change in net position					8,622,187	10,021,267	18,643,454	83,479	163,994	(247,576)	-	737,135	-
Net position, beginning of year					49,134,080	115,669,208	164,803,288	22,225	144,566	247,576	-	10,257,940	-
Net position, end of year					<u>\$ 57,756,267</u>	<u>\$ 125,690,475</u>	<u>\$ 183,446,742</u>	<u>\$ 105,704</u>	<u>\$ 308,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,995,075</u>	<u>\$ -</u>

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

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2020

ASSETS	General	2016 SPLOST	Nonmajor Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	\$ 10,064,570	\$ 6,007,185	\$ 5,540,866	\$ 21,612,621
Investments	9,182,792	-	4,054,505	13,237,297
Taxes receivable, net	1,032,968	-	10,822	1,043,790
Accounts receivable, net	72,752	-	1,024,305	1,097,057
Due from other governments	123,509	590,470	1,250	715,229
Due from other funds	4,211,809	-	993,164	5,204,973
Inventories	1,615	-	-	1,615
Prepaid expenditures	322,542	1,859,200	-	2,181,742
Assets held for resale	-	-	184,480	184,480
Total assets	\$ 25,012,557	\$ 8,456,855	\$ 11,809,392	\$ 45,278,804
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 692,517	\$ 71,359	\$ 1,329,089	\$ 2,092,965
Accrued liabilities	470,616	-	-	470,616
Unearned revenues	-	169,764	-	169,764
Due to other funds	10,341,578	8,910	3,369,821	13,720,309
Due to component units	183,772	-	-	183,772
Total liabilities	11,688,483	250,033	4,698,910	16,637,426
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	348,118	-	-	348,118
Total deferred inflows of resources	348,118	-	-	348,118
FUND BALANCES				
Nonspendable:				
Inventories	1,615	-	-	1,615
Prepaid expenditures	322,542	-	-	322,542
Permanent fund principal	-	-	2,903,000	2,903,000
Restricted for:				
Assets held for resale	-	-	184,480	184,480
Law enforcement	-	-	347,087	347,087
Cemetery maintenance	-	-	1,872,780	1,872,780
Capital projects	-	8,206,822	3,005,206	11,212,028
Unassigned	12,651,799	-	(1,202,071)	11,449,728
Total fund balances	12,975,956	8,206,822	7,110,482	28,293,260
Total liabilities, deferred inflows of resources, and fund balances	\$ 25,012,557	\$ 8,456,855	\$ 11,809,392	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	45,797,204
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	517,882
Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	
These deferred outflows of resources consist of pension and other post-employment benefits related experience differences, assumption changes and contributions.	7,559,965
Internal service funds are used by management to charge the costs of certain functions to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	5,909,411
Deferred inflows of resources are not available to pay for current expenditures and, therefore, are not reported in the funds.	
These deferred inflows of resources consist of pension and other post-employment benefits related differences between projected and actual earnings on plan investments.	(1,949,965)
Certain liabilities are not due and payable in the current period and are, therefore, not reported in the funds.	(28,371,490)
Net position of governmental activities	\$ 57,756,267

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

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	2016 SPLOST	Nonmajor Governmental Funds	Totals Governmental Funds
REVENUES				
Property taxes	\$ 4,531,914	\$ -	\$ -	\$ 4,531,914
Other taxes	7,306,252	-	587,540	7,893,792
Charges for services	5,853,340	-	70,272	5,923,612
Licenses and permits	739,052	-	-	739,052
Intergovernmental	441,030	4,799,652	2,324,312	7,564,994
Franchise taxes	518,876	-	-	518,876
Fines and forfeitures	778,245	-	99,107	877,352
Interest revenue	99,330	-	189,155	288,485
Rental income	183,974	-	-	183,974
Contributions and donations	3,659	-	3,050	6,709
Other revenues	127,544	-	169,255	296,799
Total revenues	20,583,216	4,799,652	3,442,691	28,825,559
EXPENDITURES				
Current:				
General government	5,145,955	-	-	5,145,955
Judicial	358,010	-	-	358,010
Public safety	14,123,323	-	1,429,394	15,552,717
Public works	4,235,807	-	118,104	4,353,911
Parks and recreation	505,157	-	-	505,157
Housing and economic development	1,855,410	-	94,990	1,950,400
Capital outlay	-	597,713	2,917,757	3,515,470
Debt service:				
Principal	167,024	1,700,000	12,390	1,879,414
Interest	25,687	245,024	37,865	308,576
Total expenditures	26,416,373	2,542,737	4,610,500	33,569,610
Excess (deficiency) of revenues over (under) expenditures	(5,833,157)	2,256,915	(1,167,809)	(4,744,051)
OTHER FINANCING SOURCES (USES)				
Transfers in	7,997,449	-	900,830	8,898,279
Transfers out	(1,092,466)	-	(834,764)	(1,927,230)
Proceeds from the sale of capital assets	65,070	-	-	65,070
Total other financing sources, net	6,970,053	-	66,066	7,036,119
Net change in fund balances	1,136,896	2,256,915	(1,101,743)	2,292,068
Fund balances, beginning of year	11,839,060	5,949,907	8,212,225	26,001,192
Fund balances, end of year	\$ 12,975,956	\$ 8,206,822	\$ 7,110,482	\$ 28,293,260

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

CITY OF GRIFFIN, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds.	\$ 2,292,068
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	3,637,852
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	160,402
Internal service funds are used by management to charge the costs of certain functions to individual funds. The net revenue of certain activities in the internal service funds is reported with governmental activities.	431,203
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	2,272,130
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(171,468)</u>
	<u>\$ 8,622,187</u>

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 4,690,000	\$ 4,690,000	\$ 4,531,914	\$ (158,086)
Other taxes	6,775,000	6,775,000	7,306,252	531,252
Charges for services	5,775,120	5,778,671	5,853,340	74,669
Licenses and permits	527,885	527,885	739,052	211,167
Intergovernmental	551,929	561,929	441,030	(120,899)
Franchise fees	515,000	515,000	518,876	3,876
Fines and forfeitures	780,000	780,000	778,245	(1,755)
Interest revenue	15,500	15,500	99,330	83,830
Rental income	186,770	186,770	183,974	(2,796)
Contributions and donations	-	1,670	3,659	1,989
Other revenues	145,206	204,376	127,544	(76,832)
Total revenues	<u>19,962,410</u>	<u>20,036,801</u>	<u>20,583,216</u>	<u>546,415</u>
EXPENDITURES				
Current				
General government:				
Legislative	470,394	370,394	338,363	32,031
Executive	396,104	386,104	348,649	37,455
Elections	10,280	10,280	13,453	(3,173)
Administrative services	4,449,178	4,165,656	3,803,513	362,143
Central services	510,417	524,605	530,789	(6,184)
Legal	124,000	124,000	111,188	12,812
Total general government	<u>5,960,373</u>	<u>5,581,039</u>	<u>5,145,955</u>	<u>435,084</u>
Judicial	<u>367,270</u>	<u>367,270</u>	<u>358,010</u>	<u>9,260</u>
Public safety:				
Police	9,685,360	9,623,684	8,065,970	1,557,714
Fire	5,651,276	5,680,657	5,543,942	136,715
Code enforcement	370,244	297,394	365,253	(67,859)
Other protection	145,696	145,696	148,158	(2,462)
Total public safety	<u>15,852,576</u>	<u>15,747,431</u>	<u>14,123,323</u>	<u>1,624,108</u>
Public works:				
Highways and streets	4,067,643	4,119,259	3,669,303	449,956
Cemetery	610,972	617,354	566,504	50,850
Total public works	<u>4,678,615</u>	<u>4,736,613</u>	<u>4,235,807</u>	<u>500,806</u>
Parks and recreation:				
Recreation	80,585	80,585	51,041	29,544
Parks	461,531	492,441	454,116	38,325
Total parks and recreation	<u>542,116</u>	<u>573,026</u>	<u>505,157</u>	<u>67,869</u>

(Continued)

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued)				
Housing and economic development:				
Protective inspection	\$ 822,395	\$ 958,977	\$ 1,114,350	\$ (155,373)
Griffin-Spalding County Airport Authority	460,076	460,076	460,075	1
Downtown development	92,274	167,274	89,194	78,080
Main Street	96,774	96,774	96,774	-
City Hall	112,205	112,205	95,017	17,188
Total housing and economic development	<u>1,583,724</u>	<u>1,795,306</u>	<u>1,855,410</u>	<u>(60,104)</u>
Debt service	<u>192,760</u>	<u>192,760</u>	<u>192,711</u>	<u>49</u>
Total expenditures	<u>29,177,434</u>	<u>28,993,445</u>	<u>26,416,373</u>	<u>2,577,072</u>
Deficiency of revenues under expenditures	<u>(9,215,024)</u>	<u>(8,956,644)</u>	<u>(5,833,157)</u>	<u>3,123,487</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,570,114	10,583,326	7,997,449	(2,585,877)
Transfers out	(1,367,466)	(1,092,466)	(1,092,466)	-
Proceeds from the sale of capital assets	-	65,000	65,070	70
Total other financing sources, net	<u>9,202,648</u>	<u>9,555,860</u>	<u>6,970,053</u>	<u>(2,585,807)</u>
Net change in fund balances	(12,376)	599,216	1,136,896	537,680
Fund balances, beginning of year	<u>11,839,060</u>	<u>11,839,060</u>	<u>11,839,060</u>	<u>-</u>
Fund balances, end of year	<u>\$ 11,826,684</u>	<u>\$ 12,438,276</u>	<u>\$ 12,975,956</u>	<u>\$ 537,680</u>

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

CITY OF GRIFFIN, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2020

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,548,162	\$ 3,035,055	\$ 548,458	\$ 2,083,040
Investments	-	33,964,254	-	-
Restricted assets, cash	2,685,543	457,008	285,482	45,633
Accounts receivable, net of allowances	74,350	11,872,964	307,519	209,946
Due from other governments	8,550	-	-	186,039
Due from component units	9,622	308,728	-	55,811
Due from other funds	19,735,274	11,208,432	146,551	1,525,540
Inventories	729,453	1,586,333	-	25,394
Prepaid expenses	445,535	39,257	47,271	25,628
Total current assets	25,236,489	62,472,031	1,335,281	4,157,031
NON-CURRENT ASSETS				
Investments	-	6,639,386	-	-
Restricted assets, investments	1,781,595	3,911,466	374,972	-
Net other post-employment benefits asset	347,778	313,085	357,621	-
Capital assets:				
Nondepreciable	28,164,925	362,133	-	2,520,201
Depreciable, net of accumulated depreciation	87,788,171	28,979,270	2,499,912	6,947,231
Total non-current assets	118,082,469	40,205,340	3,232,505	9,467,432
Total assets	143,318,958	102,677,371	4,567,786	13,624,463
DEFERRED OUTFLOWS OF RESOURCES				
Pension	2,180,157	1,789,242	916,205	479,209
Other post-employment benefits	30,775	27,705	31,646	-
Deferred charges on refundings	876,004	-	-	-
Total deferred outflows of resources	3,086,936	1,816,947	947,851	479,209
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	1,175,798	2,989,163	241,349	139,087
Accrued liabilities	84,072	442,781	46,026	24,334
Unearned revenue	-	22,208	-	-
Current portion - compensated absences	201,296	101,502	61,816	35,507
Current portion - notes payable	939,488	-	-	221,492
Current portion - capital leases payable	-	-	158,116	192,072
Current portion - landfill closure/post-closure care costs	-	-	102,300	-
Customer deposits payable	45,024	3,555,079	-	-
Due to other funds	101,115	19,852,677	2,770,462	607,920
Payable from restricted assets:				
Revenue bonds payable, current portion	2,890,000	-	-	-
Total current liabilities	5,436,793	26,963,410	3,380,069	1,220,412
NON-CURRENT LIABILITIES				
Compensated absences, net of current portion	35,523	17,912	10,909	6,266
Revenue bonds payable, net of current portion	42,384,957	-	-	-
Capital leases payable, net of current portion	-	-	704,557	354,304
Notes payable, net of current portion	37,831,902	-	-	880,065
Net pension liability	5,651,144	4,637,861	2,374,878	1,242,149
Landfill closure/post-closure care costs	-	-	5,247,022	-
Total non-current liabilities	85,903,526	4,655,773	8,337,366	2,482,784
Total liabilities	91,340,319	31,619,183	11,717,435	3,703,196
DEFERRED INFLOWS OF RESOURCES				
Pension	81,245	66,677	34,143	17,858
Other post-employment benefits	364,794	328,403	375,118	-
Total deferred inflows of resources	446,039	395,080	409,261	17,858
NET POSITION				
Net investment in capital assets	32,782,753	29,341,403	1,637,239	7,819,499
Restricted for debt service	1,528,968	-	-	-
Restricted for capital outlay	738,469	-	-	-
Unrestricted	19,569,346	43,138,652	(8,248,298)	2,563,119
Total net position	\$ 54,619,536	\$ 72,480,055	\$ (6,611,059)	\$ 10,382,618

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Net position of business-type activities

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

Totals	Governmental Activities Internal Service Fund - Motor Pool	Governmental Activities Internal Service Fund - Payroll
\$ 7,214,715	\$ 1,193,639	\$ 27,344
33,964,254	-	-
3,473,666	-	-
12,464,779	200	-
194,589	-	-
374,161	4,417	1,890
32,615,797	741,303	212,019
2,341,180	219,339	-
557,691	8,259	-
<u>93,200,832</u>	<u>2,167,157</u>	<u>241,253</u>
6,639,386	-	-
6,068,033	-	-
1,018,484	-	-
31,047,259	-	-
126,214,584	361,721	-
<u>170,987,746</u>	<u>361,721</u>	<u>-</u>
<u>264,188,578</u>	<u>2,528,878</u>	<u>241,253</u>
5,364,813	-	-
90,126	-	-
876,004	-	-
<u>6,330,943</u>	<u>-</u>	<u>-</u>
4,545,397	48,565	-
597,213	7,036	241,253
22,208	-	-
400,121	12,079	-
1,160,980	-	-
350,188	-	-
102,300	-	-
3,600,103	-	-
23,332,174	1,721,609	-
2,890,000	-	-
<u>37,000,684</u>	<u>1,789,289</u>	<u>241,253</u>
70,610	10,853	-
42,384,957	-	-
1,058,861	-	-
38,711,967	-	-
13,906,032	-	-
5,247,022	-	-
<u>101,379,449</u>	<u>10,853</u>	<u>-</u>
<u>138,380,133</u>	<u>1,800,142</u>	<u>241,253</u>
199,923	-	-
1,068,315	-	-
<u>1,268,238</u>	<u>-</u>	<u>-</u>
71,580,894	361,721	-
1,528,968	-	-
738,469	-	-
57,022,819	367,015	-
<u>130,871,150</u>	<u>\$ 728,736</u>	<u>\$ -</u>
(5,180,675)		
<u>\$ 125,690,475</u>		

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 23,582,192	\$ 50,345,095	\$ 7,189,757	\$ 3,243,564
Tap and capacity recovery fees	731,442	-	-	-
Other services	96,348	3,104,235	5,640	7,153
Total operating revenues	24,409,982	53,449,330	7,195,397	3,250,717
OPERATING EXPENSES				
Personal services	5,260,162	3,693,679	2,017,243	1,229,432
Purchased or contracted services	4,691,676	3,280,567	5,101,936	566,749
Purchased power	-	31,974,012	-	-
Supplies	1,737,975	213,166	107,067	186,614
Miscellaneous	534,410	311,974	745,098	393,736
Depreciation	3,884,393	1,200,668	417,793	666,206
Total operating expenses	16,108,616	40,674,066	8,389,137	3,042,737
Operating income (loss)	8,301,366	12,775,264	(1,193,740)	207,980
NON-OPERATING INCOME (EXPENSES)				
Interest income	103,775	1,557,069	25,733	2,722
Interest expense	(2,050,171)	-	(24,719)	(83,689)
Loss on transfer of capital assets	-	-	-	(1,666,578)
Total non-operating income (expenses)	(1,946,396)	1,557,069	1,014	(1,747,545)
Income (loss) before capital contributions and transfers	6,354,970	14,332,333	(1,192,726)	(1,539,565)
CAPITAL CONTRIBUTIONS				
	47,872	-	-	-
TRANSFERS				
Transfers out	(2,063,515)	(6,300,000)	-	-
Transfers in	300,000	-	-	465,148
Total transfers	(1,763,515)	(6,300,000)	-	465,148
Change in net position	4,639,327	8,032,333	(1,192,726)	(1,074,417)
Net position, beginning of year	49,980,209	64,447,722	(5,418,333)	11,457,035
Net position, end of year	\$ 54,619,536	\$ 72,480,055	\$ (6,611,059)	\$ 10,382,618

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in net position of business-type activities

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

<u>Totals</u>	<u>Governmental Activities Internal Service Fund - Motor Pool</u>	<u>Governmental Activities Internal Service Fund - Payroll</u>
\$ 84,360,608	\$ 874,136	\$ -
731,442	-	-
3,213,376	541	-
<u>88,305,426</u>	<u>874,677</u>	<u>-</u>
12,200,516	606,196	-
13,640,928	230,672	-
31,974,012	-	-
2,244,822	545,717	-
1,985,218	17,337	-
6,169,060	54,120	-
<u>68,214,556</u>	<u>1,454,042</u>	<u>-</u>
20,090,870	(579,365)	-
1,689,299	-	-
(2,158,579)	-	-
(1,666,578)	-	-
<u>(2,135,858)</u>	<u>-</u>	<u>-</u>
17,955,012	(579,365)	-
<u>47,872</u>	<u>-</u>	<u>-</u>
(8,363,515)	-	-
765,148	627,318	-
<u>(7,598,367)</u>	<u>627,318</u>	<u>-</u>
10,404,517	47,953	-
	680,783	-
	<u>\$ 728,736</u>	<u>\$ -</u>
(383,250)		
<u>\$ 10,021,267</u>		

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 21,415,422	\$ 50,541,398	\$ 7,511,065	\$ 2,268,482
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(9,849,354)	(36,049,255)	(5,262,734)	(1,429,839)
Payments to employees	(4,967,992)	(3,731,025)	(2,011,464)	(1,475,964)
Net cash provided by (used in) operating activities	6,598,076	10,761,118	236,867	(637,321)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(1,763,515)	(6,300,000)	-	-
Transfers in	-	-	-	465,148
Net cash provided by (used in) noncapital financing activities	(1,763,515)	(6,300,000)	-	465,148
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(6,855,114)	(1,732,895)	(351,589)	(757,837)
Intergovernmental grant	47,872	-	-	-
Proceeds from notes payable and capital leases	5,246,591	-	257,568	627,119
Principal paid on bonds	(2,890,000)	-	-	-
Principal paid on notes payable and capital leases	(702,067)	-	(121,702)	(391,189)
Interest paid	(2,058,702)	-	(24,128)	(82,994)
Net cash used in capital and related financing activities	(7,211,420)	(1,732,895)	(239,851)	(604,901)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	1,521,929	(2,107,634)	61,307	-
Proceeds from the sale of investments	-	(24,320)	-	-
Interest and dividends received	103,775	1,059,129	20,292	2,722
Net cash provided by (used in) investing activities	1,625,704	(1,072,825)	81,599	2,722
Increase (decrease) in cash and cash equivalents	(751,155)	1,655,398	78,615	(774,352)
Cash and cash equivalents:				
Beginning of year	4,984,860	1,836,665	755,325	2,903,025
End of year	\$ 4,233,705	\$ 3,492,063	\$ 833,940	\$ 2,128,673
Classified as:				
Cash and cash equivalents	\$ 1,548,162	\$ 3,035,055	\$ 548,458	\$ 2,083,040
Restricted assets, cash	2,685,543	457,008	285,482	45,633
	\$ 4,233,705	\$ 3,492,063	\$ 833,940	\$ 2,128,673

(Continued)

Totals	Governmental Activities Internal Service Fund - Motor Pool	Governmental Activities Internal Service Fund - Payroll
\$ 81,736,367	\$ -	\$ -
-	803,199	10,200
(52,591,182)	(843,629)	-
(12,186,445)	(598,769)	-
<u>16,958,740</u>	<u>(639,199)</u>	<u>10,200</u>
(8,063,515)	-	-
465,148	627,318	-
<u>(7,598,367)</u>	<u>627,318</u>	<u>-</u>
(9,697,435)	(6,500)	-
47,872	-	-
6,131,278	-	-
(2,890,000)	-	-
(1,214,958)	-	-
(2,165,824)	-	-
<u>(9,789,067)</u>	<u>(6,500)</u>	<u>-</u>
(524,398)	-	-
(24,320)	-	-
1,185,918	-	-
<u>637,200</u>	<u>-</u>	<u>-</u>
208,506	(18,381)	10,200
<u>10,479,875</u>	<u>1,212,020</u>	<u>17,144</u>
<u>\$ 10,688,381</u>	<u>\$ 1,193,639</u>	<u>\$ 27,344</u>
\$ 7,214,715	\$ 1,193,639	\$ 27,344
3,473,666	-	-
<u>\$ 10,688,381</u>	<u>\$ 1,193,639</u>	<u>\$ 27,344</u>

CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Water/ Wastewater Utility Fund	Electric Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 8,301,366	\$ 12,775,264	\$ (1,193,740)	\$ 207,980
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	3,884,393	1,200,668	417,793	666,206
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(16,860)	590,368	(306,286)	6,833
(Increase) decrease in due from other governments	1,576,941	-	-	(186,039)
(Increase) decrease in inventories	88,569	167,387	-	7,647
(Increase) decrease in due from other funds	(4,599,683)	(7,679,103)	34,276	(610,112)
(Increase) decrease in due from component units	826	176,744	-	-
Decrease in prepaids and other assets	(13,089)	(17,587)	(21,384)	(12,040)
Decrease in deferred outflows of resources - pension and OPEB	(1,515,334)	(1,190,365)	(628,951)	(330,501)
Decrease in accounts payable	(2,953,452)	(361,032)	(157,305)	(262,734)
Increase (decrease) in accrued liabilities	11,222	(51,446)	7,954	22,528
Increase in customer deposits	-	248,028	-	-
Increase in net pension liability	2,434,302	1,717,370	973,265	518,643
Decrease in net OPEB liability	(182,031)	(186,371)	(209,211)	-
Increase in landfill closure/post-closure care costs	-	-	866,118	-
Increase (decrease) in due to other funds	44,216	3,756,031	587,678	(550,690)
Decrease in deferred inflows of resources - pension and OPEB	(463,310)	(384,838)	(133,340)	(115,042)
Net cash provided by (used in) operating activities	<u>\$ 6,598,076</u>	<u>\$ 10,761,118</u>	<u>\$ 236,867</u>	<u>\$ (637,321)</u>
Noncash investing, capital, and financing activities:				
Unrealized loss on investments	\$ -	\$ 497,940	\$ 5,441	\$ -
Net noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 497,940</u>	<u>\$ 5,441</u>	<u>\$ -</u>

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

<u>Totals</u>	<u>Governmental Activities Internal Service Fund - Motor Pool</u>	<u>Governmental Activities Internal Service Fund - Payroll</u>
\$ 20,090,870	\$ (579,365)	\$ -
6,169,060	54,120	-
274,055	(200)	-
1,390,902	-	-
263,603	(905)	-
(12,854,622)	(562,065)	660,935
177,570	(826)	54,385
(64,100)	(4,950)	-
(3,665,151)	-	-
(3,734,523)	(44,048)	-
(9,742)	7,427	83,259
248,028	-	-
5,643,580	-	-
(577,613)	-	-
866,118	-	-
3,837,235	491,613	(788,379)
(1,096,530)	-	-
<u>\$ 16,958,740</u>	<u>\$ (639,199)</u>	<u>\$ 10,200</u>
\$ 503,381	\$ -	\$ -
<u>\$ 503,381</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2020**

	<u>Municipal Court</u>
ASSETS	
Cash and cash equivalents	\$ 200,910
Total assets	<u>200,910</u>
LIABILITIES	
Due to others	200,910
Total liabilities	<u>\$ 200,910</u>

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

NOTES TO THE FINANCIAL STATEMENTS

CITY OF GRIFFIN, GEORGIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Griffin, Georgia (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

A. The Financial Reporting Entity

The City was chartered in 1843 and operates under a Commission – City Manager form of government. The City Manager is the head of the administrative branch of government. As such, he or she is responsible for the day-to-day operations of city government. The legislative authority of the City is vested in a seven-member Commission including an elected Chairperson and an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire); public works; parks and recreation; housing and development; and public utilities (water, sewer, stormwater, electric, and solid waste). As required by accounting principles generally accepted in the United States of America, these financial statements include the accounts of all City operations and all activities of the City.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City’s reporting entity because of the significance of their operational and financial relationship with the City.

In conformity with generally accepted accounting principles, as set forth in the Statement of GASB No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, the component units’ financial statements have been included as either blended or discretely presented. All of the City’s component units have a June 30 year-end. As of June 30, 2020, the City does not have any blended component units.

Discretely Presented Component Units

The City of Griffin Main Street Association (“Main Street”) – The City Commission appoints several positions of Main Street’s board with additional positions being appointed by various organizations. There are twelve members plus two ex-officio officers. Budget requests for Main Street are submitted to the City Commission for approval, with the City Commission possessing the authority to amend the budget. The City provides approximately 80% of Main Street’s annual operating budget. Separate financial statements for Main Street are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The City of Griffin Downtown Development Authority (“DDA”) – The City Commission appoints all seven members of the DDA’s board (one of which is an elected member of the City Commission). Budget requests for the DDA are submitted to the Commission for approval, with the City Commission possessing authority to revise the budget. The City also provides for a substantial portion of the DDA’s annual budget. Separate financial statements for the DDA are not prepared.

The City of Griffin Business and Tourism Association (“Association”) – The City Commission appoints all of the members of the Association’s board. The Board members consist of the City Commission Chairman, the City Manager, the City Attorney, and the City Finance Director. Budget requests for the Association are submitted to the Commission for approval, with the City Commission possessing authority to revise the budget. The City also provides for approximately 100% of the Association’s annual budget. Separate financial statements for the Association are not prepared.

The Griffin-Spalding County Airport Authority (“Airport Authority”) – The Georgia General Assembly, via House Bill 1261 and Act 536, created the Griffin-Spalding County Airport Authority effective July 1, 2012. The City Commission appoints five of the nine member Airport Authority board. The City and the County have mutually agreed to fund one-half of the annual shortfall in revenues required to fund the Airport Authority’s budget in future years. Due to these factors and due to the City maintaining the administrative functions of the Airport Authority, the City has elected to include the Airport Authority operations as a component unit of the City. Separate financial statements for the Airport Authority are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **2016 SPLOST Fund** accounts for capital projects of the City from resources provided by the 2016 special Spalding County 1% sales and use tax.

The City reports the following major proprietary funds:

The **Water/Wastewater Utility Fund** accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The **Electric Utility Fund** accounts for the provision of electrical services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The **Solid Waste Fund** accounts for the activities of the City's solid waste management operations. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditures for specific purposes.

The **Capital Projects Fund** accounts for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The **Permanent Funds** are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting of the City's programs.

The **Internal Service Funds** are used to account for the City's payroll as well as the rental of motor vehicles and equipment to other departments and related costs of the City, on a cost reimbursement basis.

The **Agency Fund** is used to account for the collection and disbursement of monies by the City's Municipal Court on behalf of other governments and individuals.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and wastewater function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are completed in April.
2. Proposed budgets are reviewed and prepared by the City Manager for submission to the Mayor and the City Commission in May.
3. Public hearings on the proposed budget are held in May and June.
4. The budget is legally adopted by the Mayor and City Commission prior to June 30.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

5. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of \$5,000 between departments requires the approval of the City Commission. This is consistent with the legal level of budgetary control as the budget is adopted at the department level. Revisions that alter the total expenditures of any department or fund must be approved by the City Commission. The City Commission made several immaterial supplemental budget appropriations during the year.
6. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all the following funds: General, all special revenue funds, and the enterprise funds. Budgets for the enterprise funds are prepared for planning and control purposes only.
7. Budgets for the governmental funds and the enterprise funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
8. Revenues and expenditures of the capital projects funds are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

E. Cash and Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Deposits and Investments (Continued)

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loans which have deposits insured by the FDIC or FSLIC; prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). Georgia Fund 1 was created under Official Code of Georgia Annotated ("O.C.G.A.") § 36-83-8 and is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value. The City considers amounts held in Georgia Fund 1 as investments for financial statement presentation.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values. Increases or decreases in the fair value during the year are recognized as a component of interest income.

G. Inventory and Prepaid Items

Inventory of supplies in proprietary funds is valued at cost. Inventories held for resale are valued at the lower of cost or market. Prepaid expenses are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of June 30.

H. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" in the fund financial statements. Short-term interfund loans are classified as "interfund receivables/payables". Long-term interfund loans are classified as "advances". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, business development employment, construction programs, capital asset additions and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both governmental and proprietary funds. Grant contributions in the proprietary funds, which are for the purpose of construction activities, land easement or capital asset acquisitions, are recorded as capital contributions within the statement of revenues and expenses. For all funds, a grant receivable is recorded when the City has a right to receive the related grant amounts.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

Depreciation is provided on the straight-line method over the following estimated useful lives:

Governmental Assets	
Buildings and improvements	20 – 50 years
Machinery and equipment	3 – 10 years
Infrastructure	25 – 30 years
Business-type Assets	
Buildings and improvements	10 – 50 years
Utility system	5 – 50 years
Equipment	5 – 20 years

K. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred charges, are deferred and amortized over the life of the bonds using the straight-line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Compensated Absences

All employees, except shift firefighters, accrue vacation as follows: 1.54 hours per week of vacation with under 10 years of service; 2.3 hours per week of vacation with greater than 10 years and less than 20 years of service; and 3.07 hours per week of vacation with greater than 20 years of service. Shift firefighters accrue vacation as follows: 3.23 hours per week of vacation with under 10 years of service; 4.62 hours per week of vacation with greater than 10 years and less than 20 years of service; and 6.46 hours per week of vacation with greater than 20 years of service. Vacation time must be taken as time off and will not be paid-out except that any unused vacation will be paid at an employee's termination of employment.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Compensated Absences (Continued)

All City employees, except shift firefighters, accrue sick leave at 1.85 hours per week. Shift firefighters accrue sick leave at 5.54 hours per week. Sick leave, however, is not paid upon an employee's termination except to employees who were eligible to retire between January 2, 2005 and January 1, 2010. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Defined Contribution Plan

The City offers its employees a defined contribution plan, the City of Griffin Deferred Compensation Plan (the "Plan"), which is administered by MetLife Resources. The Plan is a combined 457 plan and 401A plan. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional and requires the City to match the employees' deferrals up to a maximum of 1% of annual compensation. Employer's contributions are fully vested at the time of contribution. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Benefit provisions and contributions are established and may be amended by the City Council. During the year ended June 30, 2020, the City contributed \$12,928 and employees contributed \$326,113. The City stopped matching employee contributions as of July 21, 2018.

Pursuant to the Statement No. 32 of the GASB, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the City's plan are not reported in the City's financial statements.

N. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Commission through the adoption of a resolution. Only the City Commission may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Commission has authorized the City's Chief Financial Officer, Finance Director, or Director of Administrative Services to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Restricted Assets

The Water/Wastewater Utility Fund, based on certain bond covenants, is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net 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 position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has four items that qualify for reporting in this category. One item is the deferred charge on refunding, which is reported in the government-wide and proprietary fund Statements of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The remaining items relate to the City's Retirement and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. Experience differences result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Changes in actuarial assumptions, which adjust the net pension liability, are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Additionally, any contributions made by the City to the pension and OPEB plan, before year-end but subsequent to the measurement date of the City's net pension liability and net OPEB liability, are reported as deferred outflows of resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet 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 position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The other three items relate to the City's Retirement and OPEB Plans and are reported in the government-wide and proprietary fund Statements of Net Position. The net difference between projected and actual earnings on pension and OPEB plan investments is deferred and amortized against pension expense over a five-year period, resulting in recognition as deferred inflows of resources. Changes in actuarial assumptions, which adjust the net OPEB liability (asset), are also recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. In addition, the differences between expected and actual experience for the City's OPEB plan is deferred and amortized against pension expense over a four-year period, resulting in recognition as a deferred inflow of resources.

R. Pensions and OPEB

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

S. Tax Abatement Agreements

During the year ended June 30, 2017, the City implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This statement requires the City to disclose information for any tax abatement agreements, either entered into by the City, or agreements entered into by other governments that reduce the City's tax revenues. As of June 30, 2020, the City did not have any such agreements, either entered into by the City or by other governments that exceeded the quantitative threshold for disclosure.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

Bonds payable	\$ 6,399,466
Net pension liability	19,230,089
Net OPEB asset	(1,595,438)
Due to Griffin/Spalding County Airport Authority	2,815,000
Capital leases payable	758,224
Compensated absences	639,708
Accrued interest	124,441
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 28,371,490</u>

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 5,624,038
Depreciation expense	(1,986,186)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 3,637,852</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Accrued interest	\$ 25,957
Compensated absences	61,565
OPEB income	616,429
Pension expense	<u>(875,419)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (171,468)</u>

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this difference are as follows:

Amortization of bond premiums	\$ 155,216
Principal retirement on long-term debt	<u>2,116,914</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 2,272,130</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2020, are summarized as follows:

Amounts as presented on the entity-wide statement of net position:	
Cash and cash equivalents	\$ 30,048,319
Investments	53,840,937
Restricted cash and cash equivalents	3,473,666
Restricted investments	6,068,033
Amounts as presented on the fiduciary statement of net position:	
Cash and cash equivalents - Agency Fund	200,910
Component Units - cash and cash equivalents	1,418,366
Total	\$ 95,050,231
Cash deposited with financial institutions	\$ 35,141,261
Cash deposited with Georgia Fund 1	8,719,427
Certificates of deposit	252,127
Investments in the Municipal Competitive Trust	34,716,936
Investments in governmental bonds	13,967,645
Investments in corporate bonds	325,101
Investments in equities and various other securities	1,927,734
Total	\$ 95,050,231

Credit Risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of June 30, 2020, the City's investment in Georgia Fund 1 was rated AAf by Standard & Poor's. The City's investment in the Municipal Competitive Trust was not rated. All other City investments were rated as noted in the table on the following page.

The reporting of investments at fair value in accordance with GASB Statement No. 31 resulted in an unrealized gain of \$5,441 netted against interest income in the Solid Waste Fund, an unrealized gain of \$497,940 netted against interest income in the Electric Utility Fund, and an unrealized gain of \$116,307 reflected as interest income in the Cemetery Trust Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

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

At June 30, 2020, the City had the following investments:

Investment	Rating	Fair Value	Investment Maturities (in Years)					
			Less than 1	1 - 5	6 - 10	11 - 15	16 - 20	> 20
Georgia Fund 1		\$ 8,719,427	\$ 8,719,427	\$ -	\$ -	\$ -	\$ -	\$ -
Certificates of Deposit		252,127	-	252,127	-	-	-	-
Municipal Competitive Trust		34,716,936	34,716,936	-	-	-	-	-
Equities and various other non-maturing securities		1,927,734	NA	-	-	-	-	-
Governmental bonds	BBB	51,438	-	-	-	51,438	-	-
Governmental bonds	BBB+	473,483	154,541	101,072	217,870	-	-	-
Governmental bonds	A-	166,719	30,556	136,163	-	-	-	-
Governmental bonds	A	927,403	5,010	98,295	597,968	112,556	113,574	-
Governmental bonds	A+	534,968	-	191,064	278,620	-	65,284	-
Governmental bonds	AA-	1,565,414	-	54,049	524,440	523,730	463,195	-
Governmental bonds	AA	5,283,603	55,541	764,616	1,421,288	1,683,413	1,358,745	-
Governmental bonds	AA+	2,725,954	-	592,543	671,653	1,294,467	167,291	-
Governmental bonds	AAA	2,238,663	61,180	496,214	595,747	364,176	721,346	-
Corporate bonds	BBB-	120,344	-	-	-	-	-	120,344
Corporate bonds	BBB	118,033	-	-	-	-	-	118,033
Corporate bonds	BBB+	86,724	-	-	86,724	-	-	-
Total		\$ 59,908,970	\$ 43,743,191	\$ 2,686,143	\$ 4,394,310	\$ 4,029,780	\$ 2,889,435	\$ 238,377

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Measurements. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2020:

Investment	Level 1	Level 2	Level 3	Fair Value
Municipal Competitive Trust	\$ 34,716,936	\$ -	\$ -	\$ 34,716,936
Municipal bonds	8,613,393	5,354,252	-	13,967,645
Corporate bonds	325,101	-	-	325,101
Equity securities	1,927,734	-	-	1,927,734
 Total investments measured at fair value	 <u>\$ 45,583,164</u>	 <u>\$ 5,354,252</u>	 <u>\$ -</u>	 50,937,416
 Investments not subject to level disclosure:				
Georgia Fund 1				8,719,427
Certificates of deposit				252,127
Total investments				<u>\$ 59,908,970</u>

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2020, the City did not have any deposits which were uninsured and under collateralized as defined by GASB pronouncements.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES

Accounts Receivable

Receivables as of June 30, 2020, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>2016 SPLOST</u>	<u>Nonmajor Governmental</u>	<u>Water/ Wastewater</u>
Receivables:				
Taxes	\$ 1,107,098	\$ -	\$ 10,822	\$ -
Accounts	72,752	-	1,024,305	80,189
Intergovernmental	123,509	590,470	1,250	8,550
Gross receivables	<u>1,303,359</u>	<u>590,470</u>	<u>1,036,377</u>	<u>88,739</u>
Less: allowance for uncollectibles	(74,130)	-	-	(5,839)
Net total receivables	<u>\$ 1,229,229</u>	<u>\$ 590,470</u>	<u>\$ 1,036,377</u>	<u>\$ 82,900</u>

	<u>Electric</u>	<u>Solid Waste</u>	<u>Nonmajor Enterprise</u>	<u>Total</u>
Receivables:				
Taxes	\$ -	\$ -	\$ -	\$ 1,117,920
Accounts	18,170,432	307,519	209,946	19,865,143
Intergovernmental	-	-	186,039	909,818
Gross receivables	<u>18,170,432</u>	<u>307,519</u>	<u>395,985</u>	<u>21,892,881</u>
Less: allowance for uncollectibles	(6,297,468)	-	-	(6,377,437)
Net total receivables	<u>\$ 11,872,964</u>	<u>\$ 307,519</u>	<u>\$ 395,985</u>	<u>\$ 15,515,444</u>

Property Taxes

Property taxes were levied on behalf of the City by Spalding County on September 24, 2019, (levy date) based upon property values assessed as of January 1, 2019. The billings were mailed on October 15, 2019, and payable on or before December 20, 2019, for the calendar year 2019. Taxes not paid within 30 days of December 20, 2019, were subject to property tax liens on January 21, 2020. Property tax revenues are recognized when levied to the extent they result in current receivables. The City does maintain an allowance for uncollectible property taxes. At June 30, 2020, the allowance for uncollectible property taxes was \$74,130.

The tax rate levied during calendar year 2019 for the City's operations was 7.083 mills (mill equals \$1 per thousand dollars of assessed value).

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending</u> <u>Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,878,199	\$ 23,177	\$ -	\$ 365,500	\$ 3,266,876
Construction in progress	19,605,192	3,309,625	-	-	22,914,817
Total capital assets, not being depreciated	<u>22,483,391</u>	<u>3,332,802</u>	<u>-</u>	<u>365,500</u>	<u>26,181,693</u>
Capital assets, being depreciated:					
Buildings and improvements	9,415,601	53,805	-	2,040,080	11,509,486
Machinery and equipment	28,267,085	567,063	-	15,501	28,849,649
Infrastructure	35,977,858	10,294	-	-	35,988,152
Total capital assets, being depreciated	<u>73,660,544</u>	<u>631,162</u>	<u>-</u>	<u>2,055,581</u>	<u>76,347,287</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,686,585)	(309,348)	-	(739,002)	(5,734,935)
Machinery and equipment	(22,768,194)	(1,203,874)	-	(15,501)	(23,987,569)
Infrastructure	(26,120,463)	(527,088)	-	-	(26,647,551)
Total accumulated depreciation	<u>(53,575,242)</u>	<u>(2,040,310)</u>	<u>-</u>	<u>(754,503)</u>	<u>(56,370,055)</u>
Total capital assets, being depreciated, net	<u>20,085,302</u>	<u>(1,409,148)</u>	<u>-</u>	<u>1,301,078</u>	<u>19,977,232</u>
Governmental activities capital assets, net	<u>\$ 42,568,693</u>	<u>\$ 1,923,654</u>	<u>\$ -</u>	<u>\$ 1,666,578</u>	<u>\$ 46,158,925</u>

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for them are included as part of the above totals for governmental activities. At year-end, \$361,721 of internal service fund's capital assets is included in the above amounts.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 7,720,403	\$ -	\$ -	\$ (365,500)	\$ 7,354,903
Construction in progress	19,588,958	8,255,778	-	(4,152,380)	23,692,356
Total capital assets, not being depreciated	<u>27,309,361</u>	<u>8,255,778</u>	<u>-</u>	<u>(4,517,880)</u>	<u>31,047,259</u>
Capital assets, being depreciated:					
Land improvements	1,821,221	-	-	536,519	2,357,740
Buildings	36,112,466	12,782	-	(2,040,080)	34,085,168
Improvements other than buildings	158,378,019	300,259	-	3,615,862	162,294,140
Machinery and equipment	34,057,687	1,128,616	-	(15,501)	35,170,802
Total capital assets, being depreciated	<u>230,369,393</u>	<u>1,441,657</u>	<u>-</u>	<u>2,096,800</u>	<u>233,907,850</u>
Less accumulated depreciation for:					
Land improvements	(1,257,866)	(38,815)	-	-	(1,296,681)
Buildings	(20,873,501)	(877,321)	-	739,001	(21,011,821)
Improvements other than buildings	(51,716,082)	(3,842,020)	-	-	(55,558,102)
Machinery and equipment	(28,431,259)	(1,410,904)	-	15,501	(29,826,662)
Total accumulated depreciation	<u>(102,278,708)</u>	<u>(6,169,060)</u>	<u>-</u>	<u>754,502</u>	<u>(107,693,266)</u>
Total capital assets, being depreciated, net	<u>128,090,685</u>	<u>(4,727,403)</u>	<u>-</u>	<u>2,851,302</u>	<u>126,214,584</u>
Business-type activities					
capital assets, net	<u>\$ 155,400,046</u>	<u>\$ 3,528,375</u>	<u>\$ -</u>	<u>\$ (1,666,578)</u>	<u>\$ 157,261,843</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 440,499
Public safety	791,062
Public works	729,164
Parks and recreation	19,779
Housing and economic development	5,686
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	54,120
Total depreciation expense - governmental activities	<u>\$ 2,040,310</u>

Business-type activities:

Water and wastewater	\$ 3,884,393
Electric	1,200,668
Solid waste	417,793
Stormwater	545,853
Telecommunications	71,372
Golf course	48,981
Total depreciation expense - business-type activities	<u>\$ 6,169,060</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Airport Authority for the year ended June 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 471,441	\$ -	\$ -	\$ -	\$ 471,441
Construction in progress	7,465,697	225,114	-	(145,957)	7,544,854
Total capital assets, not being depreciated	<u>7,937,138</u>	<u>225,114</u>	<u>-</u>	<u>(145,957)</u>	<u>8,016,295</u>
Capital assets, being depreciated:					
Land improvements	3,614,410	-	-	145,957	3,760,367
Buildings	1,037,293	-	-	-	1,037,293
Machinery and equipment	687,513	41,825	-	-	729,338
Total capital assets, being depreciated	<u>5,339,216</u>	<u>41,825</u>	<u>-</u>	<u>145,957</u>	<u>5,526,998</u>
Less accumulated depreciation for:					
Land improvements	(1,829,512)	(104,600)	-	-	(1,934,112)
Buildings	(494,649)	(17,957)	-	-	(512,606)
Machinery and equipment	(669,672)	(7,129)	-	-	(676,801)
Total accumulated depreciation	<u>(2,993,833)</u>	<u>(129,686)</u>	<u>-</u>	<u>-</u>	<u>(3,123,519)</u>
Total capital assets, being depreciated, net	<u>2,345,383</u>	<u>(87,861)</u>	<u>-</u>	<u>145,957</u>	<u>2,403,479</u>
Airport Authority capital assets, net	<u>\$ 10,282,521</u>	<u>\$ 137,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,419,774</u>

NOTE 6. LONG-TERM DEBT

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's Water/Wastewater Utility Fund's revenue bonds outstanding at June 30, 2020 are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Combined Utility, Series 2012	\$ 57,500,000	2.00% - 5.00%	2032	\$ 43,525,000
		Less current portion		(2,890,000)
				<u>\$ 40,635,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

Combined Public Utility Revenue Refunding Bonds, Series 2012

The City of Griffin Combined Public Utility Revenue Refunding Bonds, Series 2012, were issued in October 2012. The Series 2012 bonds were issued to provide funds to refund (advance refunding) all of the City's Revenue Refunding and Improvement Bonds, Series 2002. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2002 bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The City determined that advance refunding the Series 2002 bonds with the Series 2012 bonds would reduce the City's total debt service payments by approximately \$11.055 million on an aggregate basis.

The Series 2012 bonds are special limited obligations of the City, payable solely from and secured by a pledge of and lien on revenues derived by the City from the ownership and operation of its water, wastewater, and electric system, remaining after the payment of expenses of operating, maintaining, and repairing the system. The Series 2012 bonds do not constitute a debt or general obligation of the City or a pledge of the faith and credit or taxing power of the City. No governmental entity, including the City, is obligated to levy any tax for the payment of the Series 2012 bonds. No recourse may be had against the General Fund of the City for payment of the Series 2012 bonds.

Revenue bond debt service requirements to maturities, including interest, are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 4,542,938	\$ 2,890,000	\$ 1,652,938
2022	4,537,338	3,000,000	1,537,338
2023	4,542,338	3,125,000	1,417,338
2024	4,542,338	3,250,000	1,292,338
2025	4,544,838	3,415,000	1,129,838
2026 – 2030	22,723,138	19,195,000	3,528,138
2031 – 2032	9,090,269	8,650,000	440,269
	<u>\$ 54,523,197</u>	<u>\$ 43,525,000</u>	<u>\$ 10,998,197</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Other Long-Term Debt

The Stormwater Utility Fund has incurred debt to the Georgia Environmental Facilities Authority (“GEFA”) for utility system improvements. These notes are as follows at June 30, 2020:

Description	Original Amount	Interest Rate	Due Date	Amount
Stormwater GEFA Loan	\$ 2,691,113	3.75%	2022	\$ 302,373
Stormwater GEFA Loan	487,247	2.31%	2036	394,295
Stormwater GEFA Loan	404,889	0.94%	N/A	404,889
				<u>1,101,557</u>
		Less current portion		<u>(221,492)</u>
				<u>\$ 880,065</u>

The \$404,889 GEFA loan is in the drawdown phase as of June 30, 2020, and repayment will be determined when construction is complete and all drawdowns have been made. The Stormwater Utility Fund’s other long-term debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2021	\$ 238,296	\$ 221,492	\$ 16,804
2022	134,008	124,500	9,508
2023	30,445	22,576	7,869
2024	30,972	23,103	7,869
2025	30,445	23,643	6,802
2026 – 2030	152,173	126,754	25,419
2031 – 2035	152,224	142,257	9,967
2036	12,416	12,343	73
	<u>\$ 780,979</u>	<u>\$ 696,668</u>	<u>\$ 84,311</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Other Long-Term Debt (Continued)

The Water/Wastewater Utility Fund has incurred debt to the GEFA for utility system improvements. These notes are as follows at June 30, 2020:

Description	Original Amount	Interest Rate	Due Date	Amount
Water/Wastewater GEFA Loan	\$ 6,002,688	1.03%	2038	\$ 5,005,045
Water/Wastewater GEFA Loan	12,700,000	1.71%	2048	11,984,719
Water/Wastewater GEFA Loan	14,446,662	0.89%	2039	14,391,644
Water/Wastewater GEFA Loan	7,381,432	1.25%	N/A	7,381,432
Water/Wastewater GEFA Loan	8,550	N/A	N/A	8,550
				<u>38,771,390</u>
		Less current portion		(939,488)
				<u>\$ 37,831,902</u>

The \$8,550 note payable and the \$7.4 million note payable are in the drawdown phase as of June 30, 2020, and repayment will be determined when construction is complete and all drawdowns have been made. The Water/Wastewater Utility Fund's other long-term debt service requirements to maturity, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2021	\$ 1,255,489	\$ 939,488	\$ 316,001
2022	1,649,886	1,283,521	366,365
2023	1,649,886	1,298,239	351,647
2024	1,649,886	1,313,141	336,745
2025	1,649,886	1,328,231	321,655
2026 – 2030	8,249,430	6,874,240	1,375,190
2031 – 2035	8,249,431	7,281,120	968,311
2036 – 2040	7,317,162	6,768,520	548,642
2041 – 2045	3,035,949	2,798,391	237,558
2046 – 2048	1,534,129	1,496,517	37,612
	<u>\$ 36,241,134</u>	<u>\$ 31,381,408</u>	<u>\$ 4,859,726</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Bonds Payable

Tax Allocation Bonds

The City of Griffin Tax Allocation Bonds, Series 2012, were issued in October 2012 in the amount of \$866,397. The Series 2012 bonds were issued to provide funds for construction related costs for the new Kroger Co. development within the City and to provide costs of issuance of the bonds. The Series 2012 bonds are limited obligations of the City payable solely from the revenues derived from the City's Tax Allocation District. The Series 2012 bonds do not constitute a debt or general obligation of the City or a pledge of the faith and credit or taxing power of the City. These bonds carry interest at 4% and are due on January 15, 2038.

Obligation Sales Tax Bonds

The City of Griffin Obligation Sales Tax Bond, Series 2016A and Series 2016B were issued in February 2016 in the amount of \$8,990,000 and \$725,000, respectively. The bonds were issued to provide funds to finance the cost of acquiring, constructing, and equipping certain capital outlay projects for the City. The bonds are general obligations of the City and constitute a pledge of the full faith, credit, and taxing power of the City. These bonds carry interest ranging from 1% to 4%. The Series 2016A bonds are due on July 1, 2022, and the Series 2016B bonds matured on July 1, 2017.

The bonds payable debt service requirements to maturity, including interest, are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 2,044,155	\$ 1,768,811	\$ 275,344
2022	2,053,655	1,839,563	214,092
2023	2,056,654	1,914,744	141,910
2024	54,654	25,734	28,920
2025	54,654	26,763	27,891
2026 – 2030	306,466	186,093	120,373
2031 – 2035	347,802	270,898	76,904
2036 – 2038	231,363	213,830	17,533
	<u>\$ 7,149,403</u>	<u>\$ 6,246,436</u>	<u>\$ 902,967</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Capital Leases

The City has entered into several lease agreements as lessee for financing the acquisition of various equipment through the Georgia Municipal Association direct installment program. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payment as of the date of their inception. These leases are being serviced by General Fund, Solid Waste Fund, and Stormwater Fund payments with annual interest rates varying from 1.76% to 3.37%.

The following is an analysis of equipment leased under capital leases as of June 30, 2020:

	Governmental Activities	Business-type Activities	Total
Equipment	\$ 1,428,486	\$ 2,052,620	\$ 3,481,106
Less accumulated depreciation	(676,835)	(664,924)	(1,341,759)
Carrying value	<u>\$ 751,651</u>	<u>\$ 1,387,696</u>	<u>\$ 2,139,347</u>

The above includes current year depreciation expense of assets under capital lease of \$168,970 and \$249,469 for the Governmental Activities and Business-type Activities, respectively.

The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments at June 30, 2020:

Fiscal year ending	Governmental Activities	Business-type Activities	Total
2021	\$ 192,266	\$ 383,388	\$ 575,654
2022	180,091	354,688	534,779
2023	103,732	276,195	379,927
2024	61,657	218,492	280,149
2025	61,657	183,667	245,324
2026 – 2030	241,490	98,477	339,967
Total minimum lease payments	<u>840,893</u>	<u>1,514,907</u>	<u>2,355,800</u>
Less amount representing interest	(82,669)	(105,858)	(188,527)
Present value of future minimum lease payments	758,224	1,409,049	2,167,273
Less current maturities	<u>(171,736)</u>	<u>(350,188)</u>	<u>(521,924)</u>
	<u>\$ 586,488</u>	<u>\$ 1,058,861</u>	<u>\$ 1,645,349</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Closure/Post-closure Care Costs

Effective March 1994, the City of Griffin Shoal Creek Landfill Phase 1 was closed and no additional waste has been accepted. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate post-closure costs of approximately \$223,482 over the remaining four-year period. These costs are based on what it would cost to perform all post-closure care in 2001, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Effective December 2006, the City of Griffin Shoal Creek Landfill Phase 2 was closed and no additional waste has been accepted. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate post-closure costs of approximately \$556,102 over the remaining 21-year period. These costs are based on what it would cost to perform all post-closure care in 2007, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

State and federal laws and regulations require the City to place a final cover on its Shoal Creek Landfill Phase 3 site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, which is expected to occur in 2028, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The amount noted as Phase 3 below reported as landfill closure and post-closure care liability at June 30, 2020, represents the cumulative amount reported to date based on the use of approximately 28.2% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of \$4,492,269 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2007, adjusted annually for inflation. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Should any problems occur during the closure and post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Closure/Post-closure Care Costs (Continued)

Shoal Creek Road Landfill Phase 1 post-closure care costs	\$ 223,482
Shoal Creek Road Landfill Phase 2 post-closure care costs	556,102
Shoal Creek Road Landfill Phase 3 closure and post-closure care costs	4,569,738
Total closure and post-closure care costs recorded within the Solid Waste Fund	5,349,322
Less current portion	(102,300)
	\$ 5,247,022

Airport Authority Revenue Bonds

The Griffin-Spalding County Airport Authority Revenue Bonds, Series 2015, were issued on March 10, 2015. The Series 2015 bonds were issued to: a) provide funds to finance in part the acquisition of land and other real and personal property for the construction and equipping of a new airport, and b) pay the costs of issuance of the Series 2015 bonds. The Series 2015 bonds are limited obligations of the Airport Authority payable solely from certain amounts to be paid by the City and Spalding County to the Airport Authority under the provisions of an intergovernmental agreement by and between the Airport Authority, the City, and Spalding County. The Series 2015 bonds are not deemed to constitute a debt or general obligation or pledge of the faith and credit of the State or any political subdivision thereof, including the City, Spalding County or the Airport Authority, within the meaning of any constitutional or statutory debt limitation. The payments provided for under the intergovernmental agreement constitute general obligations of the City and Spalding County for which its full faith, credit and taxing powers are pledged.

Revenue bond debt service requirements to maturities, including interest, are as follows:

Fiscal Year Payable	Total	Principal	Interest
2021	\$ 683,550	\$ 490,000	\$ 193,550
2022	678,850	500,000	178,850
2023	678,850	515,000	163,850
2024	683,400	535,000	148,400
2025	682,350	550,000	132,350
2026 – 2030	3,385,350	3,040,000	345,350
	\$ 6,792,350	\$ 5,630,000	\$ 1,162,350

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 7,964,524	\$ -	\$ (1,718,088)	\$ 6,246,436	\$ 1,768,811
Bond premium	302,550	-	(149,520)	153,030	-
Net bonds payable	<u>8,267,074</u>	<u>-</u>	<u>(1,867,608)</u>	<u>6,399,466</u>	<u>1,768,811</u>
Intergovernmental payable	3,052,500	-	(237,500)	2,815,000	245,000
Capital leases	925,246	-	(167,022)	758,224	171,736
Net pension liability	11,462,800	11,037,836	(3,270,547)	19,230,089	-
Net OPEB liability (asset)	(775,308)	326,560	(1,146,690)	(1,595,438)	-
Compensated absences	718,625	102,799	(158,784)	662,640	563,244
Governmental activity Long-term liabilities	<u>\$ 23,650,937</u>	<u>\$ 11,467,195</u>	<u>\$ (6,848,151)</u>	<u>\$ 28,269,981</u>	<u>\$ 2,748,791</u>
Business-type activities:					
Revenue bonds	\$ 46,305,000	\$ -	\$ (2,780,000)	\$ 43,525,000	\$ 2,890,000
Bond premium	2,030,655	-	(280,698)	1,749,957	-
Net revenue bonds	<u>48,335,655</u>	<u>-</u>	<u>(3,060,698)</u>	<u>45,274,957</u>	<u>2,890,000</u>
Notes payable	35,137,419	5,651,210	(915,682)	39,872,947	1,160,980
Compensated absences	426,184	67,768	(23,221)	470,731	400,121
Capital leases	1,228,257	480,068	(299,276)	1,409,049	350,188
Net OPEB liability (asset)	(440,871)	208,458	(786,071)	(1,018,484)	-
Net pension liability	8,262,452	7,981,145	(2,337,565)	13,906,032	-
Landfill closure/post-closure	4,483,204	952,824	(86,706)	5,349,322	102,300
Business-type activity Long-term liabilities	<u>\$ 97,432,300</u>	<u>\$ 15,341,473</u>	<u>\$ (7,509,219)</u>	<u>\$ 105,264,554</u>	<u>\$ 4,903,589</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Component Units - Airport Authority					
Revenue bonds	\$ 6,105,000	\$ -	\$ (475,000)	\$ 5,630,000	\$ 490,000
Bond premium	281,263	-	(43,889)	237,374	-
Net revenue bonds	6,386,263	-	(518,889)	5,867,374	490,000
Net pension liability	163,189	157,245	(47,157)	273,277	-
Net OPEB liability (asset)	1,194	589	(4,584)	(2,801)	-
Compensated absences	8,454	1,538	-	9,992	8,493
Airport Authority					
Long-term liabilities	<u>\$ 6,559,100</u>	<u>\$ 159,372</u>	<u>\$ (570,630)</u>	<u>\$ 6,147,842</u>	<u>\$ 498,493</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$17,352 of internal service fund's compensated absences is included in the amounts on the previous page. Also, the governmental activities, compensated absences, the total OPEB liability, and the net pension liability are substantially liquidated by the General Fund.

NOTE 7. PENSION PLAN

A. Plan Description

The City, as authorized by the City Commission, has established a non-contributory defined benefit pension plan, the City of Griffin Retirement Plan ("Retirement Plan"), covering substantially all of the City's employees. The City's pension plan is administered through the Georgia Municipal Employee Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Plan provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are provided by the Retirement Plan whereby retirees receive between 1% and 1.75% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. The City Commission, in its role as the Retirement Plan sponsor, has the governing authority to establish and amend from time to time, the benefits provided and the contribution rates of the City and its employees. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Plan membership. As of January 1, 2020, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	272
Inactive plan members entitled to, but not receiving benefits	92
Active plan members	426
Total	<u>790</u>

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Retirement Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Retirement Plan. The funding policy for the Retirement Plan, as adopted by the City Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the City Commission. City contributions to the Retirement Plan were \$3,579,381 for the year ended June 30, 2020.

B. Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2019.

Actuarial assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.25%, plus service based merit increases
Investment rate of return	7.375%

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

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Cost of living adjustments were assumed to be 3.00% although the Retirement Plan allowance for annual cost of living adjustment is variable, as established by the City Commission, in an amount not to exceed 4%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019, are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.41%
International equity	20%	6.96
Domestic fixed income	20%	1.96
Real estate	10%	4.76
Global fixed income	5%	3.06
Cash	—%	
Total	100%	

* Rates shown are net of the 2.25% assumed rate of inflation.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the year ended June 30, 2020, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Beginning Balance	\$ 86,305,311	\$ 66,416,870	\$ 19,888,441
Changes for the year:			
Service cost	870,663	-	870,663
Interest	6,340,682	-	6,340,682
Differences between expected and actual experience	4,547,238	-	4,547,238
Assumption changes	7,317,607	-	7,317,607
Contributions – employer	-	3,350,827	(3,350,827)
Contributions – employee	-	370,865	(370,865)
Net investment income	-	1,933,577	(1,933,577)
Benefit payments, including refunds of employee contributions	(5,267,091)	(5,267,091)	-
Administrative expense	-	(100,036)	100,036
Net changes	<u>13,809,099</u>	<u>288,142</u>	<u>13,520,957</u>
Ending Balance	<u>\$ 100,114,410</u>	<u>\$ 66,705,012</u>	<u>\$ 33,409,398</u>

The net pension liability noted above includes the liability of the Griffin-Spalding County Airport Authority, a discretely presented component unit, in the amount of \$273,277.

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	\$ 45,739,225	\$ 33,409,398	\$ 23,163,965

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2019, and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2020, the City recognized pension expense of \$5,125,957. At June 30, 2020, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 480,319
Differences between expected and actual experience	3,972,414	-
Changes in actuarial assumptions	6,231,759	-
City contributions subsequent to the measurement date	2,684,851	-
Total	\$ 12,889,024	\$ 480,319

The above totals include deferred outflows of resources in the amount of \$105,427 and deferred inflows of resources in the amount of \$3,930 related to the Griffin-Spalding County Airport Authority, a discretely presented component unit.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

C. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

City contributions subsequent to the measurement date of \$2,684,851, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,		
2021	\$	2,196,466
2022		1,889,381
2023		2,667,843
2024		2,970,164
Total	\$	9,723,854

NOTE 8. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY

A. Excess of Expenditures Over Appropriations

The following General Fund departments and special revenue funds had actual expenditures in excess of appropriations for the year ended June 30, 2020:

General Fund		
General government - elections	\$	3,173
General government - central services		6,184
Public safety - code enforcement		67,859
Public safety - other protection		2,462
Housing and economic development - protective inspection		155,373
FEMA Fund		
Public safety		133,766

These over expenditures were funded by greater than anticipated revenues.

B. Deficit Fund Balance and Net Position

The following funds had deficit fund balances/net position at June 30, 2020:

Solid Waste Fund	\$	6,611,059
Police Technology Fund		5,894
Federal Relief Fund		1,194,207
2020 CDBG Fund		1,970
Welcome Center Fund		149,533

NOTES TO FINANCIAL STATEMENTS

NOTE 8. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY (CONTINUED)

B. Deficit Fund Balance and Net Position (Continued)

The net position deficit in the Solid Waste Fund will be reduced through increased charges for services in future years. The fund deficit in the Police Technology Fund will be reduced through intergovernmental revenues and General Fund transfers.

NOTE 9. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2020, are as follows:

Due From	Due To			
	General	Nonmajor Governmental	Electric	Water/Wastewater
General Fund	\$ -	\$ 700,755	\$ 9,120,153	\$ -
2016 SPLOST	-	8,910	-	-
Nonmajor Governmental	1,577,760	119,158	12,659	1,632,729
Water/Wastewater	-	-	-	-
Electric	-	65,030	-	18,079,838
Solid Waste	2,235,193	99,311	306,836	-
Internal Service Fund	-	-	1,721,609	-
Nonmajor Enterprise	398,856	-	47,175	22,707
Total	\$ 4,211,809	\$ 993,164	\$ 11,208,432	\$ 19,735,274

Due From	Solid Waste	Nonmajor Enterprise	Internal Service	Total
General Fund	\$ -	\$ -	\$ 520,670	\$ 10,341,578
2016 SPLOST	-	-	-	8,910
Nonmajor Governmental	-	25,325	2,190	3,369,821
Water/Wastewater	40,666	8,684	51,765	101,115
Electric	-	1,491,248	216,561	19,852,677
Solid Waste	-	-	129,122	2,770,462
Internal Service Fund	-	-	-	1,721,609
Nonmajor Enterprise	105,885	283	33,014	607,920
Total	\$ 146,551	\$ 1,525,540	\$ 953,322	\$ 38,774,092

Interfund receivables and payables result from timing differences related to payroll and other year-end transactions which normally clear within one to two months.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2020, consisted of the following:

Transfer From	Transfer To			
	General	Nonmajor Governmental	Internal Service	Water/ Wasterwater
General Fund	\$ -	\$ -	\$ 627,318	\$ -
Nonmajor Governmental	47,449	787,315	-	-
Water/Wastewater	1,950,000	113,515	-	-
Electric	6,000,000	-	-	300,000
Total	\$ 7,997,449	\$ 900,830	\$ 627,318	\$ 300,000

Transfer From	Nonmajor	
	Enterprise	Total
General Fund	\$ 465,148	\$ 1,092,466
Nonmajor Governmental	-	834,764
Water/Wastewater	-	2,063,515
Electric	-	6,300,000
Total	\$ 465,148	\$ 10,290,745

Transfers are used to: 1) move revenues from the fund that statute or budget requires collecting them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. RELATED ORGANIZATION

The City's governing body is responsible for all of the board appointments of the City of Griffin Housing Authority. However, the City has no further accountability for this organization.

NOTE 11. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. For the fiscal year ended June 30, 2020, \$71,509 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism within the City (\$46,519 to the Griffin Business and Tourism Association and \$24,990 to Other Governmental Agencies).

NOTES TO FINANCIAL STATEMENTS

NOTE 12. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the 10-county west central Georgia area, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. During its year ended June 30, 2020, the City paid \$22,878 in such dues. Membership in a regional commission (“RC”) is required by the O.C.G.A. § 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. § 50-8-39.1, provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from: Three Rivers Regional Commission; 120 North Hill Street, Griffin, Georgia 30224.

NOTE 13. JOINTLY GOVERNED ORGANIZATION

During the year ended June 30, 2010, the City Commission approved entering into an interlocal cooperation agreement for the purpose of establishing the Griffin/Spalding County Land Bank Authority (the “Authority”). The Authority was formally created in August 2008. The Authority’s purpose is to return land which is in a non-revenue generating, non-tax producing status to an effective utilization status in order to provide affordable housing, new trade, commerce, industry, and employment opportunities for the citizens of the City and Spalding County. The Authority is governed by a four-member Board of Directors appointed equally by the City and Spalding County. The City has no further accountability for this organization.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia

The Municipal Electric Authority of Georgia (“MEAG”) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by state law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

As of June 30, 2020, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on kWh usage. The total payments under these contracts amounted to \$31,975,957 in 2020.

At June 30, 2020, the outstanding debt of MEAG was approximately \$7.27 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$420.51 million at June 30, 2020.

NOTE 15. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds and to report as promptly as possible and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pools' agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RISK MANAGEMENT (CONTINUED)

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment and all expenses incurred for investigation, negotiation or defense.

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

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN

Plan Administration and Benefits

The City of Griffin Post-Employment Health Care Plan (the "OPEB Plan") is an agent multiple-employer defined benefit healthcare plan administered by the Georgia Municipal Association. The OPEB Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefit provisions and contribution requirements are established and may be amended by the Commission. The relevant information about the OPEB Plan is provided below. No other financial reports are issued by this agent multiple-employer plan.

Eligible participants are assumed to be employees, and former employees of the City who had health coverage as an active employee for at least the two consecutive years immediately preceding their termination and have satisfied the following requirements: 1) completed at least ten years of consecutive service immediately preceding their termination date, and 2) is eligible and elects to receive normal retirement or disability benefits under a qualified defined benefit plan sponsored by the City. The OPEB Plan is closed to all employees hired after July 1, 2007. The OPEB Plan benefit provisions are fixed at: 1) \$200 per month for retiree only coverage for employees less than age 65; 2) \$400 per month for retirees and spouse (or family) coverage for employees less than age 65; 3) \$100 per month for retiree only coverage for employees age 65 or older; and 4) \$200 per month for retiree and spouse coverage for employees age 65 or older. Deferred retirements are not allowed to elect coverage at the time of retirement. Additionally, surviving spouses are not covered under the OPEB Plan.

Plan Membership. Membership of the OPEB plan consisted of the following at June 30, 2020, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries currently receiving benefits	66
Active plan members	149
Total	<u>215</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the OPEB Plan's actuary. For fiscal year 2020, the City contributed \$231,555 to the OPEB Plan. OPEB Plan members receiving benefits are not required to contribute to the Plan.

Net OPEB Liability (Asset) of the City

Effective July 1, 2017, the City implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, which significantly changed the City's accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The City's net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2019 with the actuary using standard techniques to roll forward the liability (asset) to the measurement date.

Actuarial assumptions. The total OPEB liability (asset) in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	7.00%
Long-term expected rate of return on OPEB investments:	7.00%, net of investment expenses, including inflation
Healthcare Cost Trend Rate:	4.00%
Inflation Rate:	2.50%
Participation rate:	95%

Mortality rates were based on the Pub-2010 using scale MP-2019 for healthy retirees.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Net OPEB Liability (Asset) of the City (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the major target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.75%
International equity	20%	7.45
Domestic fixed income	20%	1.75
Real estate	10%	4.55
Global fixed income	5%	3.30
Cash	-%	
Total	100%	

* Rates shown are net of the 3.00% assumed rate of inflation.

Discount rate. The discount rate used to measure the total OPEB liability (asset) was 7.00%. The projection of cash flows used to determine the discount rate assumed that the City will contribute in amounts consistent with its formal contribution policy. Based on those assumptions, the OPEB Trust Fund's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all of the projected benefit payments to determine the total OPEB liability (asset).

NOTES TO FINANCIAL STATEMENTS

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Net OPEB Liability (Asset) of the City (Continued)

Changes in the Net OPEB Liability (Asset) of the City. The changes in the components of the net OPEB liability (asset) of the City for the year ended June 30, 2020, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Beginning Balance	\$ 7,040,903	\$ 8,258,276	\$ (1,217,373)
Changes for the year:			
Service cost	58,151	-	58,151
Interest	477,456	-	477,456
Differences between expected and actual experience	(823,080)	-	(823,080)
Assumption changes	(364,475)	-	(364,475)
Contributions - employer	-	252,779	(252,779)
Net investment income	-	494,623	(494,623)
Benefit payments, net of retiree contributions	(252,779)	(252,779)	-
Net changes	<u>(904,727)</u>	<u>494,623</u>	<u>(1,399,350)</u>
Ending Balance	<u>\$ 6,136,176</u>	<u>\$ 8,752,899</u>	<u>\$ (2,616,723)</u>

The required schedule of changes in the City's net OPEB liability (asset) and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total OPEB liability.

The net OPEB liability (asset) noted above includes the liability (asset) of the Griffin-Spalding County Airport Authority, a discretely presented component unit, in the amount of \$2,801.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Sensitivity Analysis

Sensitivity of the net OPEB liability (asset) to changes in the discount rate. The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's net OPEB asset	\$ (1,887,463)	\$ (2,616,723)	\$ (3,229,963)

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates. The following presents the net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current healthcare cost trend rates:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
City's net OPEB asset	\$ (2,967,062)	\$ (2,616,723)	\$ (2,198,012)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2020, and the current sharing pattern of costs between employer and inactive employees.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. POST-EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB income of \$740,763. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,308,012
Net difference between projected and actual earnings on pension plan investments	-	263,390
Changes of assumptions	-	1,173,351
City contributions subsequent to the measurement date	231,555	-
Total	\$ 231,555	\$ 2,744,753

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

Year ending June 30,			
2021		\$	(698,291)
2022			(698,291)
2023			(596,080)
2024			(554,166)
2025			(197,925)
	Total		\$ (2,744,753)

NOTES TO FINANCIAL STATEMENTS

NOTE 17. OPERATING LEASES

The City has entered into several operating leases of various land parcels and buildings where the City is the lessor. The original leases have terms ranging from one to five years. Each is accounted for as an operating lease. The minimum future rentals for non-cancelable leases as of June 30, 2020 are as follows:

Year ending June 30,	
2021	\$ 156,196
2022	114,636
2023	60,262
2024	28,464
2025	9,240
	<u>\$ 368,798</u>

The City has also entered into several operating leases of various equipment where the City is the lessee. The original leases have terms ranging from four to five years. Each is accounted for as an operating lease. The minimum future rentals for non-cancelable leases as of June 30, 2020, are as follows:

Year ending June 30,	
2021	\$ 69,481
2022	28,587
2023	3,421
	<u>\$ 101,489</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	\$ 870,663	\$ 673,289	\$ 734,961	\$ 647,032	\$ 726,704
Interest on total pension liability	6,340,682	5,808,271	5,667,365	5,501,879	5,281,509
Differences between expected and actual experience	4,547,238	106,375	597,386	660,440	1,166,560
Changes of assumptions	7,317,607	-	1,510,700	-	-
Benefit payments, including refunds of employee contributions	(5,267,091)	(4,891,254)	(4,843,493)	(4,504,617)	(4,157,966)
Other changes	-	5,392,679	-	-	-
Net change in total pension liability	13,809,099	7,089,360	3,666,919	2,304,734	3,016,807
Total pension liability - beginning	86,305,311	79,215,951	75,549,032	73,244,298	70,227,491
Total pension liability - ending (a)	100,114,410	86,305,311	79,215,951	75,549,032	73,244,298
Plan fiduciary net position					
Contributions - employer	3,350,827	3,051,490	2,990,801	2,871,270	2,709,329
Contributions - employee	370,865	53,503	-	-	-
Net investment income	1,933,577	6,105,729	8,279,957	5,713,778	651,834
Benefit payments, including refunds of member contributions	(5,267,091)	(4,891,254)	(4,843,493)	(4,504,617)	(4,157,966)
Administrative expenses	(100,036)	(101,132)	(108,295)	(64,872)	(74,379)
Net change in plan fiduciary net position	288,142	4,218,336	6,318,970	4,015,559	(871,182)
Plan fiduciary net position - beginning	66,416,870	62,198,534	55,879,564	51,864,005	52,735,187
Plan fiduciary net position - ending (b)	66,705,012	66,416,870	62,198,534	55,879,564	51,864,005
City's net pension liability - ending (a) - (b)	\$ 33,409,398	\$ 19,888,441	\$ 17,017,417	\$ 19,669,468	\$ 21,380,293
Plan fiduciary net position as a percentage of the total pension liability	66.6%	77.0%	78.5%	74.0%	70.8%
Covered payroll	\$ 18,470,040	\$ 16,576,613	\$ 16,434,882	\$ 16,744,923	\$ 15,560,315
Net pension liability as a percentage of covered payroll	180.9%	120.0%	103.5%	117.5%	137.4%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS RETIREMENT PLAN FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 3,579,381	\$ 3,222,944	\$ 3,065,676	\$ 2,961,576	\$ 2,841,168
Contributions in relation to the actuarially determined contribution	3,579,381	3,222,944	3,065,676	2,961,576	2,841,168
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 18,050,230	\$ 20,588,760	\$ 16,576,613	\$ 16,434,882	\$ 16,744,923
Contributions as a percentage of covered payroll	19.8%	15.7%	18.5%	18.0%	17.0%

Notes to the Schedule:

Valuation Date	January 1, 2020
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return	
on Investments	7.375%
Projected Salary Increases	2.25%, plus service based merit increases
Cost-of-living Adjustment	3.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 16 years

The schedule will present 10 years of information once it is accumulated.

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 58,151	\$ 150,141	\$ 144,367
Interest on total pension liability	477,456	572,740	559,065
Differences between expected and actual experience	(823,080)	(664,012)	(314,018)
Changes of assumptions	(364,475)	(1,304,432)	-
Benefit payments, including refunds of employee contributions	(252,779)	(155,929)	(181,331)
Net change in total pension liability	(904,727)	(1,401,492)	208,083
Total OPEB liability - beginning	7,040,903	8,442,395	8,234,312
Total OPEB liability - ending (a)	6,136,176	7,040,903	8,442,395
Plan fiduciary net position			
Contributions - employer	(252,779)	(155,929)	181,331
Net investment income	494,623	736,114	969,716
Benefit payments, including refunds of member contributions	252,779	155,929	(181,331)
Net change in plan fiduciary net position	494,623	736,114	969,716
Plan fiduciary net position - beginning	8,258,276	7,522,162	6,552,446
Plan fiduciary net position - ending (b)	8,752,899	8,258,276	7,522,162
City's net OPEB liability (asset) - ending (a) - (b)	\$ (2,616,723)	\$ (1,217,373)	\$ 920,233
Plan fiduciary net position as a percentage of the total OPEB liability	142.6%	117.3%	89.1%
Covered payroll	\$ 7,584,977	\$ 6,820,657	\$ 7,585,296
Net pension liability as a percentage of covered payroll	-34.5%	-17.8%	12.1%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF GRIFFIN, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS OPEB PLAN FOR THE FISCAL YEAR ENDED JUNE 30,

	2020	2019	2018
Actuarially determined contribution	\$ 231,555	\$ 252,777	\$ 251,099
Contributions in relation to the actuarially determined contribution	231,555	252,777	251,099
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 7,412,576	\$ 8,471,505	\$ 6,820,657
Contributions as a percentage of covered-employee payroll	3.1%	3.0%	3.7%

Notes to the Schedule:

Valuation Date	June 30, 2020
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Fair Value of Assets
Assumed Rate of Return	
on Investments	7.00%
Inflation	2.50%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 20 years.

The schedule will present 10 years of information once it is accumulated.

**COMBINING STATEMENTS
AND SCHEDULES**

CITY OF GRIFFIN, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Hotel/Motel Tax Fund** accounts for the Hotel/Motel accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

The **Multiple Grant Fund** accounts for grant revenues and expenditures relating to various short-lived projects.

The **Confiscated Assets Fund** accounts for confiscated and condemned funds received and disbursed for law enforcement expenditures.

The **Police Technology Fund** accounts for monies received by the collection of an add-on fine as allowed by state law to be used for equipping and maintaining the City Police Department.

The **Court Technology Fund** accounts for monies received by the collection of an add-on fine as allowed by state law to be used for equipping and maintaining the City Court system.

The **Police Donations Fund** accounts for local donated revenues and expenditures for law enforcement expenditures.

The **2020 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **Federal Relief Grant Fund** accounts for federal grant revenues and expenditures relating to COVID-19 relief.

The **FEMA Fund** accounts for the federal grant monies received from the Federal Emergency Management Association.

The **2008 CHIP Fund** accounts for CHIP grant revenues and expenditures relating to public works projects.

The **Neighborhood Stabilization Fund** accounts for grant revenues and expenditures relating to the purchase of foreclosed and abandoned properties.

The **Neighborhood Stabilization 3 Fund** accounts for grant revenues and expenditures relating to the purchase of foreclosed and abandoned properties.

The **Tax Allocation Districts Fund** accounts for special assessed property tax revenues and expenditures relating to public works projects.

CITY OF GRIFFIN, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **General Capital Projects Fund** accounts for capital projects of the City funded by the general revenues of the City.

The **SPLOST Fund** accounts for capital projects of the City from resources provided by the 2009 special Spalding County 1% sales and use tax.

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs.

The **Cemetery Trust Fund** is used to account for principal trust amounts and the annual maintenance of the City's Cemetery.

The **LWS Emergency Fund** is used to account for reserve funds for the repair and replacement of the equipment and facilities of the City's utility system.

The **Mausoleum Trust Fund** is used to account for principal trust amounts and the maintenance of the City's Mausoleum.

CITY OF GRIFFIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds						
	Hotel/ Motel Tax Fund	Multiple Grant Fund	Confiscated Assets Fund	Police Technology Fund	Court Technology Fund	Police Donations Fund	2020 CDBG Fund
ASSETS							
Cash and cash equivalents	\$ -	\$ 131,516	\$ 140,216	\$ 80	\$ 120,630	\$ 10,413	\$ -
Investments	-	-	-	-	-	-	-
Taxes receivable	10,822	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Due from other funds	6,561	-	-	-	1,127	-	-
Assets held for resale	-	-	-	-	-	-	-
Total assets	<u>\$ 17,383</u>	<u>\$ 131,516</u>	<u>\$ 140,216</u>	<u>\$ 80</u>	<u>\$ 121,757</u>	<u>\$ 10,413</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,970
Due to other funds	17,383	44,451	12,364	5,974	-	-	-
Total liabilities	<u>17,383</u>	<u>44,451</u>	<u>12,364</u>	<u>5,974</u>	<u>-</u>	<u>-</u>	<u>1,970</u>
FUND BALANCES (DEFICITS)							
Nonspendable:							
Permanent fund principal	-	-	-	-	-	-	-
Restricted for:							
Assets held for resale	-	-	-	-	-	-	-
Law enforcement	-	87,065	127,852	-	121,757	10,413	-
Cemetery maintenance (expendable)	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Unassigned	-	-	-	(5,894)	-	-	(1,970)
Total fund balances (deficits)	<u>-</u>	<u>87,065</u>	<u>127,852</u>	<u>(5,894)</u>	<u>121,757</u>	<u>10,413</u>	<u>(1,970)</u>
Total liabilities and fund balances	<u>\$ 17,383</u>	<u>\$ 131,516</u>	<u>\$ 140,216</u>	<u>\$ 80</u>	<u>\$ 121,757</u>	<u>\$ 10,413</u>	<u>\$ -</u>

(Continued)

Special Revenue Funds

Federal Relief Fund	FEMA Fund	2008 CHIP Fund	Neighborhood Stabilization Fund	Neighborhood Stabilization 3 Fund	Tax Allocation Districts Fund
\$ -	\$ -	\$ -	\$ 163,494	\$ 146,868	\$ 1,584,888
-	-	-	-	-	-
-	-	-	-	-	-
-	1,250	-	-	-	-
-	164,341	-	-	-	44,399
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 165,591</u>	<u>\$ -</u>	<u>\$ 163,494</u>	<u>\$ 146,868</u>	<u>\$ 1,629,287</u>
-	\$ -	\$ -	\$ -	\$ -	\$ -
1,194,207	141,844	-	37	-	-
<u>1,194,207</u>	<u>141,844</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	23,747	-	163,457	146,868	1,629,287
(1,194,207)	-	-	-	-	-
<u>(1,194,207)</u>	<u>23,747</u>	<u>-</u>	<u>163,457</u>	<u>146,868</u>	<u>1,629,287</u>
<u>\$ -</u>	<u>\$ 165,591</u>	<u>\$ -</u>	<u>\$ 163,494</u>	<u>\$ 146,868</u>	<u>\$ 1,629,287</u>

CITY OF GRIFFIN, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2020

ASSETS	Capital Project Funds		Permanent Funds			Totals
	General Capital Projects Fund	SPLOST Fund	Cemetery Trust Fund	LWS Emergency Fund	Mausoleum Trust Fund	
	-	-	-	-	-	
Cash and cash equivalents	\$ -	\$ 1,348,410	\$ 1,389,878	\$ 25,712	\$ 478,761	\$ 5,540,866
Investments	-	-	2,671,501	1,038,044	344,960	4,054,505
Taxes receivable	-	-	-	-	-	10,822
Accounts receivable, net	-	1,024,305	-	-	-	1,024,305
Due from other governments	-	-	-	-	-	1,250
Due from other funds	-	8,910	127,186	640,640	-	993,164
Assets held for resale	-	-	184,480	-	-	184,480
Total assets	\$ -	\$ 2,381,625	\$ 4,373,045	\$ 1,704,396	\$ 823,721	\$ 11,809,392
 LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ 1,327,119	\$ -	\$ -	\$ -	\$ 1,329,089
Due to other funds	-	12,659	-	1,620,560	320,342	3,369,821
Total liabilities	-	1,339,778	-	1,620,560	320,342	4,698,910
 FUND BALANCES (DEFICITS)						
Nonspendable:						
Permanent fund principal	-	-	2,654,405	83,836	164,759	2,903,000
Restricted for:						
Assets held for resale	-	-	184,480	-	-	184,480
Law enforcement	-	-	-	-	-	347,087
Cemetery maintenance (expendable)	-	-	1,534,160	-	338,620	1,872,780
Capital projects	-	1,041,847	-	-	-	3,005,206
Unassigned	-	-	-	-	-	(1,202,071)
Total fund balances (deficits)	-	1,041,847	4,373,045	83,836	503,379	7,110,482
Total liabilities and fund balances	\$ -	\$ 2,381,625	\$ 4,373,045	\$ 1,704,396	\$ 823,721	\$ 11,809,392

(Concluded)

CITY OF GRIFFIN, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds						2020 CDBG Fund
	Hotel/ Motel Tax Fund	Multiple Grant Fund	Confiscated Assets Fund	Police Technology Fund	Court Technology Fund	Police Donations Fund	
Revenues							
Other taxes	\$ 71,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Fines and forfeitures	-	-	75,312	-	23,795	-	-
Interest revenue	-	56	-	-	-	-	-
Contributions and donations	-	-	-	-	-	3,050	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>71,509</u>	<u>56</u>	<u>75,312</u>	<u>-</u>	<u>23,795</u>	<u>3,050</u>	<u>-</u>
Expenditures							
Current:							
Public safety	-	-	86,303	-	12,000	3,118	-
Public works	-	-	-	-	-	-	115,485
Housing and economic development	24,990	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Total expenditures	<u>24,990</u>	<u>-</u>	<u>86,303</u>	<u>-</u>	<u>12,000</u>	<u>3,118</u>	<u>115,485</u>
Excess (deficiency) of revenues over (under) expenditures	<u>46,519</u>	<u>56</u>	<u>(10,991)</u>	<u>-</u>	<u>11,795</u>	<u>(68)</u>	<u>(115,485)</u>
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	113,515
Transfers out	(46,519)	-	(93)	-	-	-	-
Total other financing sources (uses)	<u>(46,519)</u>	<u>-</u>	<u>(93)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,515</u>
Net change in fund balances	-	56	(11,084)	-	11,795	(68)	(1,970)
Fund balances (deficits), beginning of year	<u>-</u>	<u>87,009</u>	<u>138,936</u>	<u>(5,894)</u>	<u>109,962</u>	<u>10,481</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ -</u>	<u>\$ 87,065</u>	<u>\$ 127,852</u>	<u>\$ (5,894)</u>	<u>\$ 121,757</u>	<u>\$ 10,413</u>	<u>\$ (1,970)</u>

(Continued)

Special Revenue Funds					
Federal Relief Fund	FEMA Fund	2008 CHIP Fund	Neighborhood Stabilization Fund	Neighborhood Stabilization 3 Fund	Tax Allocation Districts Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 516,031
-	-	-	-	-	-
-	132,684	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	132,684	-	-	-	516,031
1,194,207	133,766	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	70,000
-	-	-	-	-	-
-	-	-	-	-	50,255
<u>1,194,207</u>	<u>133,766</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,255</u>
(1,194,207)	(1,082)	-	-	-	395,776
-	-	-	-	-	-
-	-	(837)	-	-	-
-	-	(837)	-	-	-
(1,194,207)	(1,082)	(837)	-	-	395,776
-	24,829	837	163,457	146,868	1,233,511
<u>\$ (1,194,207)</u>	<u>\$ 23,747</u>	<u>\$ -</u>	<u>\$ 163,457</u>	<u>\$ 146,868</u>	<u>\$ 1,629,287</u>

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Capital Project Funds		Permanent Funds			Totals
	General Capital Projects Fund	SPLOST Fund	Cemetery Trust Fund	LWS Emergency Fund	Mausoleum Trust Fund	
Revenues						
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 587,540
Charges for services	-	-	70,272	-	-	70,272
Intergovernmental	-	2,191,628	-	-	-	2,324,312
Fines and forfeitures	-	-	-	-	-	99,107
Interest revenue	2,921	520	185,658	-	-	189,155
Contributions and donations	-	-	-	-	-	3,050
Other revenues	-	-	58,044	83,836	27,375	169,255
Total revenues	2,921	2,192,148	313,974	83,836	27,375	3,442,691
Expenditures						
Current:						
Public safety	-	-	-	-	-	1,429,394
Public works	-	-	2,619	-	-	118,104
Housing and economic development	-	-	-	-	-	94,990
Capital outlay	-	2,917,757	-	-	-	2,917,757
Debt service	-	-	-	-	-	50,255
Total expenditures	-	2,917,757	2,619	-	-	4,610,500
Excess (deficiency) of revenues over (under) expenditures	2,921	(725,609)	311,355	83,836	27,375	(1,167,809)
Other financing sources (uses)						
Transfers in	-	787,315	-	-	-	900,830
Transfers out	(787,315)	-	-	-	-	(834,764)
Total other financing sources (uses)	(787,315)	787,315	-	-	-	66,066
Net change in fund balances	(784,394)	61,706	311,355	83,836	27,375	(1,101,743)
Fund balances (deficits), beginning of year	784,394	980,141	4,061,690	-	476,004	8,212,225
Fund balances (deficits), end of year	\$ -	\$ 1,041,847	\$ 4,373,045	\$ 83,836	\$ 503,379	\$ 7,110,482

(Concluded)

CITY OF GRIFFIN, GEORGIA

**HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes	\$ 71,818	\$ 71,509	\$ (309)
Total revenues	<u>71,818</u>	<u>71,509</u>	<u>(309)</u>
EXPENDITURES			
Housing and development	31,421	24,990	6,431
Total expenditures	<u>31,421</u>	<u>24,990</u>	<u>6,431</u>
Excess of revenues over expenditures	<u>40,397</u>	<u>46,519</u>	<u>6,122</u>
Other financing uses			
Transfers out	(40,397)	(46,519)	(6,122)
Total other financing uses	<u>(40,397)</u>	<u>(46,519)</u>	<u>(6,122)</u>
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Interest revenue	\$ 56	\$ 56	\$ -
Total revenues	<u>56</u>	<u>56</u>	<u>-</u>
 EXPENDITURES			
Public safety	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 Net change in fund balance	56	56	-
 FUND BALANCES, beginning of year	<u>87,009</u>	<u>87,009</u>	<u>-</u>
 FUND BALANCES, end of year	<u>\$ 87,065</u>	<u>\$ 87,065</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Fines and forfeitures	\$ 75,312	\$ 75,312	\$ -
Total revenues	<u>75,312</u>	<u>75,312</u>	<u>-</u>
EXPENDITURES			
Public safety	86,303	86,303	-
Total expenditures	<u>86,303</u>	<u>86,303</u>	<u>-</u>
Deficiency of revenues over expenditures	(10,991)	(10,991)	-
Other financing source			
Transfers out	<u>(93)</u>	<u>(93)</u>	<u>-</u>
Total other financing source	<u>(93)</u>	<u>(93)</u>	<u>-</u>
Net change in fund balance	(11,084)	(11,084)	-
FUND BALANCES, beginning of year	<u>138,936</u>	<u>138,936</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 127,852</u>	<u>\$ 127,852</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**POLICE TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Public safety	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
FUND DEFICITS, beginning of year	<u>(5,894)</u>	<u>(5,894)</u>	<u>-</u>
FUND DEFICITS, end of year	<u><u>\$ (5,894)</u></u>	<u><u>\$ (5,894)</u></u>	<u><u>\$ -</u></u>

CITY OF GRIFFIN, GEORGIA

**COURT TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Fines and forfeitures	\$ 23,795	\$ 23,795	\$ -
Total revenues	<u>23,795</u>	<u>23,795</u>	<u>-</u>
 EXPENDITURES			
Public safety	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>-</u>
 Net change in fund balance	11,795	11,795	-
 FUND BALANCES, beginning of year	<u>109,962</u>	<u>109,962</u>	<u>-</u>
 FUND BALANCES, end of year	<u>\$ 121,757</u>	<u>\$ 121,757</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**POLICE DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Contributions and donations	\$ 3,050	\$ 3,050	\$ -
Total revenues	<u>3,050</u>	<u>3,050</u>	<u>-</u>
EXPENDITURES			
Public safety	<u>3,118</u>	<u>3,118</u>	<u>-</u>
Total expenditures	<u>3,118</u>	<u>3,118</u>	<u>-</u>
Net change in fund balance	(68)	(68)	-
FUND BALANCES, beginning of year	<u>10,481</u>	<u>10,481</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 10,413</u></u>	<u><u>\$ 10,413</u></u>	<u><u>\$ -</u></u>

CITY OF GRIFFIN, GEORGIA

2020 CDBG FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original and Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Public works	115,485	115,485	-
Total expenditures	<u>115,485</u>	<u>115,485</u>	<u>-</u>
Other financing sources			
Transfers in	113,515	113,515	-
Total other financing sources	<u>113,515</u>	<u>113,515</u>	<u>-</u>
Net change in fund balance	(1,970)	(1,970)	-
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND DEFICITS, end of year	<u>\$ (1,970)</u>	<u>\$ (1,970)</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**FEDERAL RELIEF GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Grant	\$ 1,194,207	\$ -	\$ (1,194,207)
Total revenues	<u>1,194,207</u>	<u>-</u>	<u>(1,194,207)</u>
EXPENDITURES			
Public safety	<u>1,194,207</u>	<u>1,194,207</u>	<u>-</u>
Total expenditures	<u>1,194,207</u>	<u>1,194,207</u>	<u>-</u>
Net change in fund balance	-	(1,194,207)	(1,194,207)
FUND DEFICITS, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ (1,194,207)</u>	<u>\$ (1,194,207)</u>

CITY OF GRIFFIN, GEORGIA

**FEMA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ -	\$ 132,684	\$ 132,684
Total revenues	<u>-</u>	<u>132,684</u>	<u>132,684</u>
 EXPENDITURES			
Public safety	-	133,766	(133,766)
Total expenditures	<u>-</u>	<u>133,766</u>	<u>(133,766)</u>
 Net change in fund balance	-	(1,082)	(1,082)
 FUND DEFICITS, beginning of year	<u>24,829</u>	<u>24,829</u>	<u>-</u>
 FUND BALANCES, end of year	<u>\$ 24,829</u>	<u>\$ 23,747</u>	<u>\$ (1,082)</u>

CITY OF GRIFFIN, GEORGIA

**2008 CHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses			
Transfers out	<u>(837)</u>	<u>(837)</u>	<u>-</u>
Total other financing sources	<u>(837)</u>	<u>(837)</u>	<u>-</u>
Net change in fund balance	(837)	(837)	-
FUND BALANCES, beginning of year	<u>837</u>	<u>837</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF GRIFFIN, GEORGIA

**NEIGHBORHOOD STABILIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Other revenues	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	<u>163,457</u>	<u>163,457</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 163,457</u></u>	<u><u>\$ 163,457</u></u>	<u><u>\$ -</u></u>

CITY OF GRIFFIN, GEORGIA

**NEIGHBORHOOD STABILIZATION 3 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	<u>146,868</u>	<u>146,868</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 146,868</u>	<u>\$ 146,868</u>	<u>\$ -</u>

CITY OF GRIFFIN, GEORGIA

**TAX ALLOCATION DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Other taxes	\$ 516,031	\$ 516,031	\$ -
Total revenues	<u>516,031</u>	<u>516,031</u>	<u>-</u>
EXPENDITURES			
Housing and economic development	70,000	70,000	-
Debt service	<u>50,255</u>	<u>50,255</u>	<u>-</u>
Total expenditures	<u>120,255</u>	<u>120,255</u>	<u>-</u>
Net change in fund balance	395,776	395,776	-
FUND BALANCES, beginning of year	<u>1,233,511</u>	<u>1,233,511</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 1,629,287</u></u>	<u><u>\$ 1,629,287</u></u>	<u><u>\$ -</u></u>

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2009 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		Total
			Prior Years	Current Year	
Roads, streets, bridges and transportation improvements and equipment:					
Airport Signals	\$ 585,291	\$ 585,291	\$ 37,167	\$ -	\$ 37,167
Signals Phase I	487,893	487,893	99,351	-	99,351
Signals Phase II	182,013	182,013	48,217	-	48,217
Intersections	144,860	144,860	3,716,026	-	3,716,026
Airport Road Intersection	55,000	55,000	-	-	-
6th Street Bridge	643,340	643,340	882,071	-	882,071
Meriwether Street Bridge	275,000	275,000	-	-	-
Poplar Street Bridge	275,000	275,000	-	-	-
Street Resurfacing	1,800,000	1,800,000	2,116,122	-	2,116,122
Block Improvement	500,000	500,000	760,849	-	760,849
Sidewalks	490,728	490,728	400,090	-	400,090
North Hill Street LCI	3,000,000	3,000,000	2,378,884	2,917,757	5,296,641
Utilities/Engineering	2,435,465	2,435,465	337,441	-	337,441
	<u>\$ 10,874,590</u>	<u>\$ 10,874,590</u>	<u>\$ 10,776,218</u>	<u>\$ 2,917,757</u>	<u>\$ 13,693,975</u>

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance \$ 2,917,757

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS 2016 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
One Griffin Center	\$ 3,038,510	\$ 3,038,510	\$ 2,825,784	\$ -	\$ 2,825,784
Fire Headquarters	3,250,000	3,250,000	3,450,127	-	3,450,127
Aerial Truck	1,510,298	1,510,298	1,098,963	-	1,098,963
Historic City Hall	3,556,541	3,556,541	4,001,690	67,746	4,069,436
Substandard Abatement	3,000,000	3,000,000	904,787	283,606	1,188,393
Street Resurfacing	4,948,651	4,948,651	1,288,296	22,403	1,310,699
Intersection Improvements	2,200,000	2,200,000	1,123,944	223,958	1,347,902
Sidewalks	600,000	600,000	180,113	-	180,113
Right of Way Improvements	240,000	240,000	291,181	-	291,181
	<u>\$ 22,344,000</u>	<u>\$ 22,344,000</u>	<u>\$ 15,164,885</u>	597,713	<u>\$ 15,762,598</u>

Reconciliation to the Combining Statement of Revenues, Expenditures and Changes
in Fund Balance:

Debt service principal expenditures already included in amounts above.	1,700,000
Debt service interest expenditures already included in amounts above.	245,024
Total per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 2,542,737</u>

CITY OF GRIFFIN, GEORGIA

NONMAJOR ENTERPRISE FUNDS

Operations of enterprise funds are designed to be self-supporting.

The **Stormwater Utility Fund** accounts for revenues and expenses relating to the stormwater services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The **Telecommunications Fund** accounts for revenues and expenses relating to the operation of the City's fiber services infrastructure. Funding is provided by City appropriations and user fees.

The **Welcome Center Fund** accounts for revenues and expenses relating to the operation of the City's welcome center. Funding is provided by City appropriations and user fees.

The **Golf Course Fund** accounts for revenues and expenses relating to the operation of the City's municipal golf course. Funding is provided by City appropriations and user fees.

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF NET POSITION NONMAJOR ENTERPRISE FUNDS JUNE 30, 2020

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
ASSETS			
CURRENT ASSETS			
Cash	\$ 1,607,298	\$ -	\$ -
Restricted assets, cash	-	-	-
Accounts receivable, net of allowances	193,782	-	-
Due from other governments	186,039	-	-
Due from component units	31,466	-	-
Due from other funds	1,504,433	-	17,383
Inventories	-	-	-
Prepaid expenses	19,905	-	-
Total current assets	3,542,923	-	17,383
NON-CURRENT ASSETS			
Capital assets:			
Nondepreciable	478,929	396,654	-
Depreciable, net of accumulated depreciation	5,826,112	977,797	-
Total non-current assets	6,305,041	1,374,451	-
Total assets	9,847,964	1,374,451	17,383
DEFERRED OUTFLOWS OF RESOURCES			
Pension	387,915	-	-
	387,915	-	-
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	130,958	-	360
Accrued liabilities	15,454	-	-
Current portion - compensated absences	28,676	-	-
Current portion - notes payable	221,492	-	-
Current portion - capital leases payable	192,072	-	-
Due to other funds	37,456	220,768	166,556
Total current liabilities	626,108	220,768	166,916
NON-CURRENT LIABILITIES			
Compensated absences, net of current portion	5,060	-	-
Net pension liability	1,005,508	-	-
Notes payable, net of current portion	880,065	-	-
Capital leases payable, net of current portion	354,304	-	-
Total non-current liabilities	2,244,937	-	-
Total liabilities	2,871,045	220,768	166,916
DEFERRED INFLOWS OF RESOURCES			
Pension	14,456	-	-
	14,456	-	-
NET POSITION			
Net investment in capital assets	4,657,108	1,374,451	-
Unrestricted	2,693,270	(220,768)	(149,533)
Total net position	\$ 7,350,378	\$ 1,153,683	\$ (149,533)

Golf Course Fund	Totals
\$ 475,742	\$ 2,083,040
45,633	45,633
16,164	209,946
-	186,039
24,345	55,811
3,724	1,525,540
25,394	25,394
5,723	25,628
<u>596,725</u>	<u>4,157,031</u>
1,644,618	2,520,201
143,322	6,947,231
<u>1,787,940</u>	<u>9,467,432</u>
<u>2,384,665</u>	<u>13,624,463</u>
91,294	479,209
7,769	139,087
8,880	24,334
6,831	35,507
-	221,492
-	192,072
183,140	607,920
<u>206,620</u>	<u>1,220,412</u>
1,206	6,266
236,641	1,242,149
-	880,065
-	354,304
<u>237,847</u>	<u>2,482,784</u>
<u>444,467</u>	<u>3,703,196</u>
3,402	17,858
1,787,940	7,819,499
240,150	2,563,119
<u>\$ 2,028,090</u>	<u>\$ 10,382,618</u>

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
OPERATING REVENUES			
Charges for services	\$ 2,440,906	\$ 477,922	\$ -
Other services	7,153	-	-
Total operating revenues	2,448,059	477,922	-
OPERATING EXPENSES			
Personal services	916,649	-	-
Purchased or contracted service	438,163	-	-
Supplies	139,990	-	-
Miscellaneous	198,465	25,577	-
Depreciation	545,853	71,372	-
Total operating expenses	2,239,120	96,949	-
Operating income (loss)	208,939	380,973	-
NON-OPERATING REVENUES (EXPENSES)			
Interest revenue	2,722	-	-
Interest expense	(83,689)	-	-
Loss on transfer of capital assets	-	-	(1,666,578)
Total non-operating expenses, net	(80,967)	-	(1,666,578)
Income (loss) before transfers	127,972	380,973	(1,666,578)
Transfers in	-	-	-
Total transfers	-	-	-
Change in net position	127,972	380,973	(1,666,578)
NET POSITION, beginning of year	7,222,406	772,710	1,517,045
NET POSITION, end of year	\$ 7,350,378	\$ 1,153,683	\$ (149,533)

Golf Course Fund	Totals
\$ 324,736	\$ 3,243,564
-	7,153
<u>324,736</u>	<u>3,250,717</u>
312,783	1,229,432
128,586	566,749
46,624	186,614
169,694	393,736
48,981	666,206
<u>706,668</u>	<u>3,042,737</u>
<u>(381,932)</u>	<u>207,980</u>
-	2,722
-	(83,689)
-	(1,666,578)
<u>-</u>	<u>(1,747,545)</u>
<u>(381,932)</u>	<u>(1,539,565)</u>
465,148	465,148
<u>465,148</u>	<u>465,148</u>
83,216	(1,074,417)
<u>1,944,874</u>	<u>11,457,035</u>
<u>\$ 2,028,090</u>	<u>\$ 10,382,618</u>

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,471,052	\$ 477,922	\$ 407
Payments to suppliers	(1,037,656)	(391,924)	(259)
Payments to employees	(848,188)	-	(148)
	(414,792)	85,998	-
Net cash provided by (used in) operating activities	(414,792)	85,998	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	-
Net cash provided by noncapital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(641,216)	(85,998)	-
Proceeds from capital leases payable	627,119	-	-
Principal paid on notes payable and capital leases	(391,189)	-	-
Interest paid	(82,994)	-	-
	(488,280)	(85,998)	-
Net cash used in capital and related financing activities	(488,280)	(85,998)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	2,722	-	-
Net cash provided by investing activities	2,722	-	-
Change in cash and cash equivalents	(900,350)	-	-
Cash and cash equivalents:			
Beginning of year	2,507,648	-	-
End of year	\$ 1,607,298	\$ -	\$ -
Classified as:			
Cash	\$ 1,607,298	\$ -	\$ -
Restricted assets, cash	-	-	-
	\$ 1,607,298	\$ -	\$ -

(Continued)

Golf Course Fund	Totals
\$ 319,101	\$ 2,268,482
-	(1,429,839)
<u>(627,628)</u>	<u>(1,475,964)</u>
<u>(308,527)</u>	<u>(637,321)</u>
<u>465,148</u>	<u>465,148</u>
<u>465,148</u>	<u>465,148</u>
(30,623)	(757,837)
-	627,119
-	(391,189)
-	(82,994)
<u>(30,623)</u>	<u>(604,901)</u>
-	2,722
-	2,722
125,998	(774,352)
<u>395,377</u>	<u>2,903,025</u>
<u>\$ 521,375</u>	<u>\$ 2,128,673</u>
\$ 475,742	\$ 2,083,040
45,633	45,633
<u>\$ 521,375</u>	<u>\$ 2,128,673</u>

CITY OF GRIFFIN, GEORGIA

COMBINING STATEMENT OF CASH FLOWS NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Stormwater Utility Fund	Telecommunications Fund	Welcome Center Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 208,939	\$ 380,973	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	545,853	71,372	-
Changes in assets and liabilities			
Decrease (Increase) in accounts receivable	12,468	-	-
Decrease in due from other governments	(186,039)	-	-
Decrease in inventory	-	-	-
Increase in due from other funds	(610,112)	-	-
Increase in prepaids and other assets	(7,499)	-	-
Increase in deferred outflows of resources	(266,615)	-	-
Decrease in accounts payable	(256,473)	-	(407)
Increase in accrued liabilities	16,611	-	-
Increase (decrease) in due to other funds	(193,324)	(366,347)	407
Increase in net pension liability	415,349	-	-
Decrease in deferred inflows of resources	(93,950)	-	-
	\$ (414,792)	\$ 85,998	\$ -
Net cash provided by (used in) operating activities	\$ (414,792)	\$ 85,998	\$ -

(Concluded)

Golf Course Fund	Totals
\$ (381,932)	\$ 207,980
48,981	666,206
(5,635)	6,833
-	(186,039)
7,647	7,647
-	(610,112)
(4,541)	(12,040)
(63,886)	(330,501)
(5,854)	(262,734)
5,917	22,528
8,574	(550,690)
-	-
103,294	518,643
(21,092)	(115,042)
<u>\$ (308,527)</u>	<u>\$ (637,321)</u>

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Municipal Court			Balance June 30, 2020
	Balance July 1, 2019	Increases	Decreases	
ASSETS				
Cash and cash equivalents	\$ 194,743	\$ 2,432,647	\$ (2,426,480)	\$ 200,910
Total assets	<u>\$ 194,743</u>	<u>\$ 2,432,647</u>	<u>\$ (2,426,480)</u>	<u>\$ 200,910</u>
LIABILITIES				
Due to others	\$ 194,743	\$ 2,432,647	\$ (2,426,480)	\$ 200,910
Total liabilities	<u>\$ 194,743</u>	<u>\$ 2,432,647</u>	<u>\$ (2,426,480)</u>	<u>\$ 200,910</u>

CITY OF GRIFFIN, GEORGIA

BALANCE SHEET COMPONENT UNITS JUNE 30, 2020

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
ASSETS			
Cash and cash equivalents	\$ 64,094	\$ 129,492	\$ -
Due from primary government	64,228	119,544	-
Total assets	128,322	249,036	-
LIABILITIES			
Accounts payable	838	-	-
Deferred revenue	238	-	-
Due to primary government	38,412	3,322	-
Total liabilities	39,488	3,322	-
FUND BALANCES			
Unassigned	88,834	245,714	-
Total fund balance	\$ 88,834	\$ 245,714	\$ -

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPONENT UNITS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Griffin Main Street	Griffin Downtown Development	Business and Tourism Association
Revenues			
Intergovernmental	\$ 96,774	\$ 159,194	\$ -
Contributions	-	21,300	-
Interest	-	88	-
Total revenues	96,774	180,582	-
Expenditures			
Purchased or contracted services	12,077	6,186	-
Supplies	108	-	-
Miscellaneous	1,110	10,402	247,576
Total expenditures	13,295	16,588	247,576
Net change in fund balance	83,479	163,994	(247,576)
Fund balances, beginning of year	5,355	81,720	247,576
Fund balances, end of year	\$ 88,834	\$ 245,714	\$ -

CITY OF GRIFFIN, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION AIRPORT AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

OPERATING REVENUES

Charges for services	\$	493,235
Other services		4,770
Total operating revenues		<u>498,005</u>

OPERATING EXPENSES

Personal services		251,484
Purchased or contracted service		339,831
Supplies		7,894
Miscellaneous		47,674
Depreciation		129,686
Total operating expenses		<u>776,569</u>

Operating loss		<u>(278,564)</u>
----------------	--	------------------

NON-OPERATING REVENUES (EXPENSES)

Intergovernmental		120,989
Intergovernmental - contributions from City		460,075
Interest revenue		5,775
Interest expense and fiscal charges		(157,886)
Gain on sale of capital assets		586,746
Total non-operating revenues, net		<u>1,015,699</u>

Change in net position		<u>737,135</u>
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Net position, beginning of year		<u>10,257,940</u>
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Net position, end of year	\$	<u><u>10,995,075</u></u>
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CITY OF GRIFFIN, GEORGIA

STATEMENT OF CASH FLOWS AIRPORT AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 681,753
Payments to suppliers	(350,546)
Payments to employees	(238,752)
	92,455
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Intergovernmental	581,064
	581,064
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(266,939)
Payments on revenue bonds	(475,000)
Proceeds from the sale of capital assets	586,746
Interest paid	(201,775)
	(356,968)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	5,775
Net cash provided by investing activities	5,775
Change in cash and cash equivalents	322,326
Cash and cash equivalents:	
Beginning of year	902,454
End of year	\$ 1,224,780
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (278,564)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	129,686
Changes in assets and liabilities:	
Increase in accounts receivable	(62,311)
Decrease in inventory	33,654
Decrease in due from other funds	475,000
Increase in deferred outflows of resources - pension and other post-employment benefits	(71,885)
Decrease in accounts payable	(51,358)
Increase in accrued liabilities	194
Increase in deferred revenue	63,901
Decrease in due to other funds	(228,941)
Increase in net pension liability	110,088
Decrease in net other post-employment benefits liability	(1,607)
Decrease in deferred inflows of resources - pension and other post-employment benefits	(25,402)
	92,455
Net cash provided by operating activities	\$ 92,455

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Griffin's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	116 – 124
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	125 – 131
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	132 – 136
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	137 and 138
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	139 – 141
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

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

CITY OF GRIFFIN, GEORGIA

**NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 15,867,708	\$ 16,197,106	\$ 17,649,753	\$ 18,088,118	\$ 19,658,120	\$ 27,292,457	\$ 21,045,080	\$ 27,223,308	\$ 33,376,373	\$ 39,001,235
Restricted	3,334,266	3,826,867	4,206,163	6,227,266	6,166,773	11,415,432	14,948,625	15,393,224	13,980,926	16,334,895
Unrestricted	12,677,719	15,725,008	15,001,410	15,748,511	7,434,838	(1,841,296)	4,416,351	3,066,557	1,776,781	2,420,137
Total governmental activities net position	<u>\$ 31,879,693</u>	<u>\$ 35,748,981</u>	<u>\$ 36,857,326</u>	<u>\$ 40,063,895</u>	<u>\$ 33,259,731</u>	<u>\$ 36,866,593</u>	<u>\$ 40,410,056</u>	<u>\$ 45,683,089</u>	<u>\$ 49,134,080</u>	<u>\$ 57,756,267</u>
Business-type activities										
Net investment in capital assets	\$ 47,893,557	\$ 47,439,408	\$ 45,543,491	\$ 49,188,045	\$ 55,349,624	\$ 59,283,034	\$ 64,495,240	\$ 69,396,942	\$ 71,716,224	\$ 71,580,894
Restricted	1,007,038	1,013,568	10,404,843	5,982,820	4,017,589	4,068,183	2,841,274	2,632,901	2,200,058	2,267,437
Unrestricted	20,897,027	25,185,368	27,140,869	31,291,021	24,192,432	31,277,153	31,868,579	34,699,829	41,752,926	51,842,144
Total business-type activities net position	<u>\$ 69,797,622</u>	<u>\$ 73,638,344</u>	<u>\$ 83,089,203</u>	<u>\$ 86,461,886</u>	<u>\$ 83,559,645</u>	<u>\$ 94,628,370</u>	<u>\$ 99,205,093</u>	<u>\$ 106,729,672</u>	<u>\$ 115,669,208</u>	<u>\$ 125,690,475</u>
Primary government										
Net investment in capital assets	\$ 63,761,265	\$ 63,636,514	\$ 63,193,244	\$ 67,276,163	\$ 75,007,744	\$ 86,575,491	\$ 85,540,320	\$ 96,620,250	\$ 105,092,597	\$ 110,582,129
Restricted	4,341,304	4,840,435	14,611,006	12,210,086	10,184,362	15,483,615	17,789,899	18,026,125	16,180,984	18,602,332
Unrestricted	33,574,746	40,910,376	42,142,279	47,039,532	31,627,270	29,435,857	36,284,930	37,766,386	43,529,707	54,262,281
Total primary government net position	<u>\$ 101,677,315</u>	<u>\$ 109,387,325</u>	<u>\$ 119,946,529</u>	<u>\$ 126,525,781</u>	<u>\$ 116,819,376</u>	<u>\$ 131,494,963</u>	<u>\$ 139,615,149</u>	<u>\$ 152,412,761</u>	<u>\$ 164,803,288</u>	<u>\$ 183,446,742</u>

Note: GASB 68 was implemented during fiscal year 2015.

CITY OF GRIFFIN, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Primary government										
Governmental activities:										
General government	\$ 4,111,180	\$ 4,149,134	\$ 4,817,013	\$ 5,019,496	\$ 4,814,301	\$ 4,794,301	\$ 8,607,024	\$ 5,541,017	\$ 6,390,256	\$ 4,394,221
Judicial	168,762	251,537	163,995	187,201	220,967	299,837	231,521	312,526	385,072	356,904
Public safety	14,673,254	14,803,719	14,671,072	14,770,642	14,095,194	14,149,168	13,723,855	14,559,704	16,861,029	16,099,234
Public works	5,551,010	4,389,885	6,125,980	4,838,560	4,450,304	5,181,358	4,648,252	4,907,482	4,836,268	4,876,652
Parks and recreation	265,527	288,563	306,880	331,053	341,114	375,164	390,878	376,616	497,250	447,893
Housing and development	897,705	893,084	1,744,909	1,285,090	1,198,472	1,414,435	1,423,875	1,262,974	1,239,173	1,724,904
Interest and fiscal changes	206,442	192,630	315,732	206,286	194,435	439,627	150,998	127,215	130,831	127,403
Total governmental activities expenses	25,873,880	24,968,552	28,145,581	26,638,328	25,314,787	26,653,890	29,176,403	27,087,534	30,339,879	28,027,211
Business-type activities:										
Water and wastewater	15,633,302	16,324,849	16,452,354	15,142,670	15,250,310	16,507,868	16,394,635	16,895,047	17,821,674	18,231,671
Electric	34,885,002	35,759,349	36,908,037	37,555,182	38,889,023	37,265,142	38,308,938	38,274,105	41,232,826	40,718,967
Solid waste	6,219,035	5,990,274	6,259,574	6,460,663	6,869,383	6,865,956	7,766,989	7,442,498	8,644,253	8,658,174
Stormwater	1,555,172	1,634,492	1,607,053	1,765,224	1,981,286	1,639,352	1,816,685	1,919,628	2,404,415	2,343,956
Airport	928,157	780,458	1,014,246	-	-	-	-	-	-	-
Welcome center	107,105	106,178	115,656	122,901	106,913	101,107	109,020	172,931	128,543	1,666,578
Telecommunications	-	-	-	-	-	-	-	70,754	79,321	96,949
Golf course	561,208	601,361	608,758	637,841	662,440	659,881	656,516	656,870	685,707	706,668
Total business-type activities expenses	59,888,981	61,196,961	62,965,678	61,684,481	63,759,355	63,039,306	65,052,783	65,431,833	70,996,739	72,422,963
Total primary government expenses	85,762,861	86,165,513	91,111,259	88,322,809	89,074,142	89,693,196	94,229,186	92,519,367	101,336,618	100,450,174
Program revenues										
Primary government										
Governmental activities:										
Charges for services										
General government	4,918,449	4,745,905	5,241,268	5,716,553	5,559,215	5,380,984	5,456,453	5,860,496	5,676,731	5,757,419
Public safety	1,347,878	1,151,869	1,035,788	660,646	888,437	832,375	783,377	837,529	1,132,432	1,124,575
Public works	200,332	205,135	197,369	174,619	187,224	173,247	173,578	193,721	200,358	216,153
Parks and recreation	210,767	207,638	207,317	186,169	215,779	226,426	198,072	189,906	252,700	186,715
Housing and economic development	101,832	149,688	127,337	150,780	235,016	181,471	230,524	238,120	430,409	742,636
Operating grants and contributions	1,053,102	401,862	790,343	615,471	373,085	573,546	436,650	310,585	210,833	142,223
Capital grants and contributions	3,342,662	1,728,069	2,244,969	2,629,373	1,235,013	2,698,218	4,808,719	6,282,899	5,333,937	7,423,291
Total governmental activities program revenues	11,175,022	8,590,166	9,844,391	10,133,611	8,693,769	10,066,267	12,087,373	13,913,256	13,237,400	15,593,012

(Continued)

CITY OF GRIFFIN, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Program revenues (Continued)										
Business-type activities:										
Charges for services ^(a)										
Water and wastewater	\$ 18,655,002	\$ 19,535,423	\$ 19,281,293	\$ 18,756,927	\$ 19,028,788	\$ 25,091,898	\$ 21,276,341	\$ 21,620,331	\$ 23,531,271	\$ 24,409,982
Electric	46,041,080	44,721,076	44,114,775	47,080,348	48,554,415	46,628,975	48,009,529	48,174,964	52,051,728	53,449,330
Solid waste	5,602,104	5,899,648	5,958,989	6,176,975	6,454,229	6,097,257	6,164,237	6,448,130	6,853,573	7,195,397
Stormwater	2,038,860	2,164,061	2,219,025	2,207,951	2,147,621	2,501,751	2,373,383	2,393,280	2,448,234	2,448,059
Airport	427,705	522,811	683,920	-	-	-	-	-	-	-
Welcome center	10,325	10,825	11,524	8,075	11,575	5,240	8,950	10,125	5,400	-
Telecommunications	-	-	-	-	-	-	-	378,339	544,446	477,922
Golf course	284,412	234,223	236,934	236,936	235,553	232,475	184,537	213,776	222,002	324,736
Operating grants and contributions	169,809	46,773	182,849	104,962	-	355,826	28,174	28,925	-	-
Capital grants and contributions	331,663	117,206	9,141,322	21,758	12,000	272,912	227,988	564,670	259,362	47,872
Total business-type activities program revenues	73,560,960	73,252,046	81,830,631	74,593,932	76,444,181	81,186,334	78,273,139	79,832,540	85,916,016	88,353,298
Total primary government program revenues	84,735,982	81,842,212	91,675,022	84,727,543	85,137,950	91,252,601	90,360,512	93,745,796	99,153,416	103,946,310
General revenues and other changes in net position										
Primary government										
Governmental activities:										
Property taxes	4,752,266	4,575,821	4,562,903	4,986,729	4,412,356	4,432,632	4,385,425	4,664,507	4,879,013	4,692,316
Sales taxes	3,274,679	3,482,760	3,409,570	3,345,800	3,467,609	3,554,330	3,438,553	3,622,779	3,901,905	4,234,202
Insurance premium tax	1,262,410	1,108,956	1,177,972	1,219,600	1,274,964	1,361,974	1,492,683	1,546,090	1,667,303	1,768,610
Alcoholic beverage taxes	620,485	635,971	621,130	626,427	647,763	654,739	663,403	694,817	663,925	695,933
Business occupational taxes	404,400	421,639	416,930	441,938	431,498	457,755	459,395	432,276	443,601	442,940
Other taxes	196,315	196,560	253,890	257,431	399,177	523,587	523,462	499,673	500,567	518,876
Franchise fees	555,513	556,258	559,345	535,272	526,376	378,289	513,414	561,363	483,069	752,107
Unrestricted investment earnings	245,221	163,807	9,852	445,337	127,873	165,895	248,710	292,909	316,886	287,965
Gain on sale of assets	10,530	72,546	-	5,341	31,644	14,670	14,252	178,057	15,587	65,070
Transfers	9,575,011	9,033,356	8,397,943	7,847,411	9,530,554	8,650,614	8,893,196	6,887,541	7,681,614	7,598,367
Total governmental activities general revenues and changes in net position	20,896,830	20,247,674	19,409,535	19,711,286	20,849,814	20,194,485	20,632,493	19,380,012	20,553,470	21,056,386
Business-type activities:										
Unrestricted investment earnings	231,019	783,095	(373,183)	1,256,518	660,532	1,571,311	249,563	506,130	1,701,873	1,689,299
Gain on sale of assets	9,177	35,898	-	207,091	-	1,000	-	-	-	-
Special item	-	-	-	(3,152,966)	-	-	-	-	-	-
Transfers	(9,575,011)	(9,033,356)	(8,397,943)	(7,847,411)	(9,530,554)	(8,650,614)	(8,893,196)	(6,887,541)	(7,681,614)	(7,598,367)
Total business type activities general revenues and changes in net position	(9,334,815)	(8,214,363)	(8,771,126)	(9,536,768)	(8,870,022)	(7,078,303)	(8,643,633)	(6,381,411)	(5,979,741)	(5,909,068)

(Continued)

CITY OF GRIFFIN, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year ^(a)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total primary government general revenues and other changes in net position	\$ 11,562,015	\$ 12,033,311	\$ 10,638,409	\$ 10,174,518	\$ 11,979,792	\$ 13,116,182	\$ 11,988,860	\$ 12,998,601	\$ 14,573,729	\$ 15,147,318
Change in net position										
Governmental activities	6,197,972	3,869,288	1,108,345	3,206,569	4,228,796	3,606,862	3,543,463	6,205,734	3,450,991	8,622,187
Business-type activities	4,337,164	3,840,722	10,093,827	3,372,683	3,814,804	11,068,725	4,576,723	8,019,296	8,939,536	10,021,267
Total primary government change in net position	\$ 10,535,136	\$ 7,710,010	\$ 11,202,172	\$ 6,579,252	\$ 8,043,600	\$ 14,675,587	\$ 8,120,186	\$ 14,225,030	\$ 12,390,527	\$ 18,643,454

^(a) Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF GRIFFIN, GEORGIA
FUND BALANCES – GOVERNMENTAL FUNDS
2011

	<u>Fiscal Year</u> <u>2011</u>
General fund	
Reserved	\$ 320,764
Unreserved	4,290,717
Total general fund	<u>4,611,481</u>
 All other governmental funds	
Reserved	5,458,016
Unreserved, reported in:	
Special revenue funds	-
Capital projects funds	-
Total all other governmental funds	<u>5,458,016</u>
 Total all governmental funds	<u>\$ 10,069,497</u>

CITY OF GRIFFIN, GEORGIA
FUND BALANCES – GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

	Fiscal Year								
	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund									
Nonspendable	\$ 188,035	\$ 217,727	\$ 143,578	\$ 187,974	\$ 200,714	\$ 241,156	\$ 214,971	\$ 234,624	\$ 324,157
Restricted	109,357	109,357	109,357	109,357	109,357	109,357	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	7,795,166	7,624,705	8,012,324	10,003,964	10,770,758	11,306,559	11,598,316	11,604,436	12,651,799
Total general fund	<u>\$ 8,092,558</u>	<u>\$ 7,951,789</u>	<u>\$ 8,265,259</u>	<u>\$ 10,301,295</u>	<u>\$ 11,080,829</u>	<u>\$ 11,657,072</u>	<u>\$ 11,813,287</u>	<u>\$ 11,839,060</u>	<u>\$ 12,975,956</u>
All other governmental funds									
Nonspendable, reported in:									
Special revenue funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital projects funds	-	-	-	-	1,098,963	1,069,875	1,809,450	-	-
Permanent funds	2,325,307	2,406,047	2,494,726	2,548,442	2,632,623	2,707,778	2,789,664	2,939,670	2,903,000
Restricted, reported in:									
Special revenue funds	410,412	576,388	669,104	781,473	1,137,425	1,307,249	1,596,822	1,915,890	2,310,446
Capital projects funds	3,016,291	3,264,096	4,784,160	4,473,499	9,221,759	9,881,346	7,979,237	7,714,442	9,248,669
Permanent funds	290,807	256,322	664,645	802,444	946,891	1,148,730	1,410,924	1,598,024	2,057,260
Unassigned	-	(65,152)	(10,087)	(2,947)	(178,042)	(236,792)	(40,394)	(5,894)	(1,202,071)
Total all other governmental funds	<u>\$ 6,042,817</u>	<u>\$ 6,437,701</u>	<u>\$ 8,602,548</u>	<u>\$ 8,602,911</u>	<u>\$ 14,859,619</u>	<u>\$ 15,878,186</u>	<u>\$ 15,545,703</u>	<u>\$ 14,162,132</u>	<u>\$ 15,317,304</u>
Total all governmental funds	<u>\$ 14,135,375</u>	<u>\$ 14,389,490</u>	<u>\$ 16,867,807</u>	<u>\$ 18,904,206</u>	<u>\$ 25,940,448</u>	<u>\$ 27,535,258</u>	<u>\$ 27,358,990</u>	<u>\$ 26,001,192</u>	<u>\$ 28,293,260</u>

Note: GASB 54 was implemented during fiscal year 2011.

CITY OF GRIFFIN, GEORGIA

**CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property taxes	\$ 4,662,904	\$ 4,699,665	\$ 4,451,514	\$ 4,890,450	\$ 4,576,229	\$ 4,465,980	\$ 4,378,755	\$ 4,615,589	\$ 4,825,690	\$ 4,531,914
Other taxes	5,845,784	5,845,886	5,879,492	5,891,196	6,221,011	6,407,087	6,567,448	6,857,325	7,159,803	7,893,792
Charges for services	4,954,638	4,795,078	5,251,331	5,656,674	5,558,446	5,405,502	5,443,236	5,846,545	5,726,485	5,923,612
Licenses and permits	285,302	319,097	312,916	319,997	388,918	289,954	363,442	373,166	539,253	739,052
Intergovernmental	4,286,767	2,243,559	3,031,251	3,244,735	1,608,021	3,271,697	5,244,164	6,590,238	5,542,706	7,564,994
Franchise fees	555,513	556,258	559,345	535,272	526,376	523,587	523,462	499,673	500,567	518,876
Fines and forfeitures	1,296,843	1,084,115	984,364	621,506	846,414	783,125	738,696	768,565	930,661	877,352
Interest revenues	244,569	162,991	9,936	445,446	127,950	165,962	249,915	296,155	318,950	288,485
Rental income	196,689	193,874	193,944	175,598	207,623	209,693	186,979	175,162	237,690	183,974
Contributions and donations	3,766	3,165	629	9,160	26,601	30,040	10,427	12,230	21,551	6,709
Other revenues	42,020	64,906	65,895	105,832	57,669	76,189	99,224	144,104	236,990	296,799
Total revenues	22,374,795	19,968,594	20,740,617	21,895,866	20,145,258	21,628,816	23,805,748	26,178,752	26,040,346	28,825,559
Expenditures										
Current:										
General government	4,071,171	3,974,565	4,534,475	4,702,864	4,594,427	4,518,227	5,785,473	5,400,732	5,048,129	5,145,955
Judicial	168,195	251,021	163,570	185,970	221,222	299,708	232,350	314,481	366,359	358,010
Public safety	14,144,740	14,070,597	14,801,325	13,996,515	14,098,284	14,078,548	13,959,928	14,965,354	15,690,542	15,552,717
Public works	5,762,799	4,962,104	5,299,122	4,749,767	5,191,626	5,888,564	4,912,691	4,806,953	4,885,235	4,353,911
Parks and recreation	293,622	317,098	372,654	296,379	489,016	376,386	361,581	372,177	522,268	505,157
Housing and development	892,066	879,060	1,749,118	1,257,507	1,186,700	1,547,863	1,419,384	1,264,820	1,456,108	1,950,400
Capital outlay	1,675,504	577,948	1,579,640	933,531	752,512	3,841,861	4,038,741	5,192,315	4,836,024	3,515,470
Debt service:										
Principal	463,214	427,584	415,465	341,489	282,252	3,001,822	79,171	997,615	1,784,843	1,879,414
Interest and fiscal charges	208,474	191,383	299,941	207,492	194,578	427,877	329,067	367,381	342,730	308,576
Total expenditures	27,679,785	25,651,360	29,215,310	26,671,514	27,010,617	33,980,856	31,118,386	33,681,828	34,932,238	33,569,610
Deficiency of revenues over expenditures	(5,304,990)	(5,682,766)	(8,474,693)	(4,775,648)	(6,865,359)	(12,352,040)	(7,312,638)	(7,503,076)	(8,891,892)	(4,744,051)

(Continued)

CITY OF GRIFFIN, GEORGIA

**CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other financing sources (uses)										
Transfers in	\$ 10,443,647	\$ 9,496,699	\$ 9,198,968	\$ 8,700,129	\$ 8,700,129	\$ 12,630,220	\$ 10,482,930	\$ 9,560,767	\$ 8,471,122	\$ 8,898,279
Transfers out	(2,112,346)	(463,343)	(1,381,644)	(1,451,505)	(1,451,505)	(3,979,606)	(1,589,734)	(2,673,226)	(1,477,167)	(1,927,230)
Tax allocation bond issuance	-	-	866,397	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	9,715,000	-	-	-	-
Premium on bond issuance	-	-	-	-	-	1,007,998	-	-	-	-
Capital leases	-	642,742	-	-	-	-	-	261,210	524,552	-
Proceeds from the sale of capital assets	30	72,546	45,087	5,341	5,341	14,670	14,252	178,057	15,587	65,070
Total other financing sources	8,331,331	9,748,644	8,728,808	7,253,965	7,253,965	19,388,282	8,907,448	7,326,808	7,534,094	7,036,119
Net change in fund balances	\$ 3,026,341	\$ 4,065,878	\$ 254,115	\$ 2,478,317	\$ 388,606	\$ 7,036,242	\$ 1,594,810	\$ (176,268)	\$ (1,357,798)	\$ 2,292,068
Debt service as a percentage of noncapital expenditures	2.74%	2.63%	2.69%	2.20%	1.97%	12.26%	1.64%	5.13%	7.52%	7.83%

CITY OF GRIFFIN, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS (In thousands)

Fiscal Year	Property Tax	Sales and Use Tax	Business Tax	Other ⁽¹⁾	Total
2011	4,663	3,275	404	2,722	\$ 11,064
2012	4,700	3,483	422	2,498	11,103
2013	4,452	3,410	417	2,612	10,891
2014	4,890	3,346	442	2,639	11,317
2015	4,576	3,468	431	2,848	11,323
2016	4,466	3,554	458	2,919	11,397
2017	4,379	3,439	459	3,193	11,470
2018	4,616	3,623	432	3,302	11,973
2019	4,826	3,902	444	3,315	12,486
2020	4,532	4,234	443	3,736	12,945

⁽¹⁾ Includes alcohol business taxes, hotel/motel taxes, insurance premium taxes and franchise fees.

CITY OF GRIFFIN, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

<u>Fiscal Year Ended June 30,</u>	<u>Digest Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other Property^(a)</u>	<u>Less: Tax-Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a % of Actual Value</u>
2011	2010	\$ 262,354,439	\$ 227,025,817	\$ 71,024,533	\$ 46,486,097	\$ 40,876,237	\$ 566,014,649	8.63	\$ 1,415,036,623	40%
2012	2011	257,941,237	222,838,476	68,877,652	46,053,656	34,913,558	560,797,463	8.63	1,401,993,658	40%
2013	2012	250,589,805	217,247,424	70,044,477	38,851,735	36,982,207	539,751,234	8.61	1,349,378,085	40%
2014	2013	215,342,724	235,452,254	69,272,022	42,605,915	40,442,206	539,751,234	7.33	1,349,378,085	40%
2015	2014	205,946,035	231,703,614	69,346,736	36,366,027	45,781,832	539,751,234	7.89	1,305,576,773	40%
2016	2015	204,825,623	263,827,815	70,667,696	28,473,445	42,975,873	524,818,706	7.89	1,312,046,765	40%
2017	2016	203,841,147	277,916,108	76,877,775	22,710,031	39,768,220	541,576,841	7.77	1,353,942,103	40%
2018	2017	209,337,571	274,171,995	74,968,574	18,844,526	40,067,121	537,255,545	7.64	1,343,138,863	40%
2019	2018	212,507,581	280,716,183	80,913,955	15,776,665	38,802,850	551,111,534	7.64	1,377,778,835	40%
2020	2019	235,403,228	312,658,439	80,325,754	14,139,834	41,293,820	601,233,435	7.08	1,503,083,588	40%

Source: Spalding County Tax Commissioner

^(a) Other property consists of agricultural, utilities, historic, mobile homes, etc.

CITY OF GRIFFIN, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (Rate per \$1,000 of assessed value)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Municipal rates										
City of Griffin:										
Maintenance and operations	14.95	14.95	15.19	14.97	14.37	14.37	14.37	14.64	14.65	13.62
Sales tax reduction	(6.32)	(6.32)	(6.58)	(7.64)	(6.48)	(6.48)	(6.60)	(7.00)	(7.01)	(6.54)
Total City of Griffin	8.63	8.63	8.61	7.33	7.89	7.89	7.77	7.64	7.64	7.08
City of Orchard Hill maintenance and operations	4.95	4.95	6.31	6.31	6.31	6.30	6.30	5.94	5.61	5.61
City of Sunny Side maintenance and operations	4.29	4.29	5.00	5.00	5.00	5.00	5.00	5.00	4.79	4.79
Spalding County rates:										
Unincorporated maintenance and operations	14.81	15.01	16.01	16.01	16.01	15.66	15.66	16.53	16.54	16.54
Fire protection ⁽¹⁾	5.98	5.98	5.98	4.17	5.93	3.61	3.61	3.61	3.61	3.61
Insurance premium rollback ⁽¹⁾	(1.81)	(1.81)	(1.81)	(1.76)	(1.76)	-	-	-	-	-
Board of Education	18.80	19.06	19.47	19.47	18.74	18.57	18.57	18.06	17.08	17.08
State of Georgia	0.25	0.25	0.25	0.15	0.05	0.05	-	-	-	-
Total unincorporated Spalding County	38.03	38.49	39.90	38.04	38.97	37.89	37.84	38.20	37.22	37.22
Total Municipalities:										
City of Griffin	42.49	42.95	44.34	42.96	42.69	42.17	42.00	42.23	40.70	40.70
City of Orchard Hill	38.81	39.27	42.04	41.94	41.11	40.58	40.53	40.53	39.22	42,832.00
City of Sunny Side	38.15	38.61	40.73	40.63	39.80	39.28	39.23	39.59	38.40	42.01

Source: Spalding County Tax Commissioner

⁽¹⁾ Fire protection and insurance premium rollback is applied only to unincorporated rates.

CITY OF GRIFFIN, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year Ended June 30, ^(a)	Digest Tax Year	Taxes Levied for the Fiscal Year ^(a)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2011	2010	\$ 4,571,371	\$ 4,264,314	93.28%	\$ 295,183	\$ 4,559,497	99.74%	\$ 11,874
2012	2011	4,661,292	4,455,818	95.59%	187,360	4,643,178	99.61%	18,114
2013	2012	4,621,315	4,355,689	94.25%	226,211	4,581,900	99.15%	39,415
2014	2013	4,623,024	4,523,644	97.85%	70,862	4,594,506	99.38%	28,518
2015	2014	4,179,677	3,992,554	95.52%	148,152	4,140,706	99.07%	38,971
2016	2015	4,150,605	3,995,573	96.26%	93,950	4,089,523	98.53%	61,082
2017	2016	4,208,594	4,004,048	95.14%	186,531	4,190,579	99.57%	204,546
2018	2017	4,175,013	3,851,564	92.25%	200,661	4,052,225	97.06%	182,229
2019	2018	4,209,941	3,924,257	93.21%	174,045	4,098,302	97.35%	285,684
2020	2019	4,258,636	3,920,562	92.06%	147,225	4,067,787	95.52%	320,674

Sources: Spalding County Tax Commissioner's Office and City of Griffin Department of Finance.

^(a) Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2019 are used for fiscal year ended in 2020).

CITY OF GRIFFIN, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	2020			2011		
	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value
North Griffin Square	\$ 75,770	1	12.60%	\$ -	-	-
Wal-Mart Stores	62,888	2	10.46%	21,884	3	1.56%
Transcontinental	62,491	3	10.39%	-	-	-
Bridgestone/Bandag	56,600	4	9.41%	24,128	2	1.72%
RCG-Griffin LLC	48,164	5	8.01%	-	-	-
International Paper	42,771	6	7.11%	-	-	-
Griffin Crossroads	36,777	7	6.12%	11,475	8	0.82%
Kroger	36,108	8	6.01%	-	-	-
Southwood Walden PT	32,008	9	5.32%	-	-	0.00%
Westdale Griffin Cross	31,249	10	5.20%	-	-	0.00%
Wellstar Spalding	-	-	-	-	-	-
Lowes	-	-	-	10,831	9	0.77%
NACOM	-	-	-	15,420	6	1.10%
Tenet-Spalding Regional Hospital	-	-	-	36,141	1	2.58%
Exo-Tech Packaging, LLC	-	-	-	18,259	4	1.30%
First National Bank of Griffin	-	-	-	14,793	7	1.06%
Halpem Enterprises, Inc.	-	-	-	16,193	5	1.15%
Walden Point	-	-	-	9,293	10	0.66%
Total	\$ 484,826		80.64%	\$ 178,417		12.72%

Source: Spalding County Tax Assessor

CITY OF GRIFFIN, GEORGIA
TOP TEN SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

Customer	2020				2011			
	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
1888 Mills, Inc.	35,214,630	\$ 313,508	1	3.44 %	-	\$ -		- %
Griffin–Spalding County Schools	21,743,615	213,848	2	2.35	-	-		-
Spalding Co. Law Enforcement	19,758,220	185,629	3	2.04	-	-		-
Griffin Crossings Apartments/Westdale Freddie Properties	14,762,763	138,203	4	1.52	-	-		-
Wellstar Spalding Regional Hospital	8,683,745	86,416	5	0.95	19,701,400	144,309	2	2.27
Walden Pointe Apartments	8,556,769	85,688	6	0.94	-	-		-
Spalding County Correctional Institute	8,678,570	80,689	7	0.88	19,897,200	143,459	3	2.26
Bandag, Inc.	6,818,846	66,917	8	0.73	-	-		-
Caterpillar, Inc.	5,977,422	59,172	9	0.65	-	-		-
Airport Road Health Care	6,474,202	56,559	10	0.62	-	-		-
Northside Hills Apartments	-	-		-	16,161,500	64,963	5	1.02
Summit Asset Regency	-	-		-	5,882,000	41,630	7	0.66
Westside Freddie Properties, LLC	-	-		-	10,278,400	76,224	4	1.20
Southern Terry	-	-		-	31,797,100	233,076	1	3.67
Sumika Polymer Co.	-	-		-	5,304,500	38,327	8	0.60
Heritage Apartments	-	-		-	4,942,700	35,903	10	0.57
Brightmoor Health	-	-		-	6,039,700	42,902	6	0.68
Riverside Uniform Rental	-	-		-	5,389,500	37,851	9	0.60
	<u>136,668,784</u>	<u>\$ 1,286,629</u>		<u>14.12 %</u>	<u>125,394,000</u>	<u>\$ 858,644</u>		<u>13.53 %</u>

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA
TOP TEN WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO

Customer	2020				2011			
	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues	Usage (in gallons)	Charges	Rank	Percentage of Total Revenues
Spalding County Water Authority	806,773,965	\$ 9,358,038	1	64.70 %	804,642,200	\$ 5,235,868	1	43.70 %
Coweta County Water and Sewer	1,110,738,910	3,216,717	2	22.24	909,510,000	2,546,628	2	21.26
City of Zebulon	81,357,180	373,748	3	2.58	83,192,900	336,931	3	2.81
1888 Mills, Inc.	52,512,320	325,764	4	2.25	-	-		-
Griffin–Spalding County Schools	23,658,462	212,106	5	1.47	-	-		-
Griffin Crossings Apartments/Westdale Freddie Properties	14,762,763	157,649	6	1.09	-	-		-
Wellstar Spalding Regional Hospital	13,833,767	101,280	7	0.70	19,701,400	95,603	5	0.80
Walden Pointe Apartments	8,584,978	98,297	8	0.68	6,299,300	32,521	10	0.27
City of Williamson	17,554,429	80,789	9	0.56	17,762,600	71,938	7	0.60
Butts County Water/Sewer Authority	9,215,304	50,189	10	0.35	-	-		-
Griffin Housing Authority	-	-		-	9,914,200	51,068	8	0.43
Summit Asset Regency	-	-		-	5,882,000	32,564	9	0.27
Westside Freddie Properties, LLC	-	-		-	12,513,500	72,985	6	0.61
Southern Terry	-	-		-	31,797,100	135,499	4	1.13
	<u>1,332,218,113</u>	<u>\$ 4,616,538</u>		<u>31.92 %</u>	<u>1,096,573,000</u>	<u>\$ 3,375,737</u>		<u>28.18 %</u>

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

TOP TEN ELECTRIC CUSTOMERS CURRENT YEAR AND NINE YEARS AGO

Customer	2020				2011			
	Usage (in kHz)	Charges	Rank	Percentage of Total Revenues	Usage (in kHz)	Charges	Rank	Percentage of Total Revenues
Coveris	19,594,100	\$ 1,744,074	1	3.46 %	-	\$ -		- %
Bandag, Inc.	15,190,600	1,520,489	2	3.02	17,907,600	1,401,957	1	3.24
Wellstar Spalding Regional Hospital	8,830,169	892,434	3	1.77	8,341,400	731,706	6	1.69
Caterpillar, Inc.	8,321,155	805,682	4	1.60	12,757,617	929,129	5	2.15
International Paper	8,791,200	784,796	5	1.56	-	-		-
City of Griffin Wastewater Treatment Plant	6,410,400	707,630	6	1.41	15,474,814	1,383,448	2	3.20
University of Georgia, Griffin Campus	6,672,000	662,196	7	1.32	6,381,600	579,985	7	1.34
Toppan USA Inc.	9,258,600	351,827	9	0.70	-	-		-
Norcom	5,065,520	480,367	8	0.95	6,279,237	446,626	10	1.03
Vernay Manufacturing Company	5,359,200	340,176	10	0.68	-	-		-
Hoshizaki	-	-		-	-	-		-
Exopac	-	-		-	16,791,000	1,164,533	4	2.69
Walmart	-	-		-	5,748,600	511,777	8	1.18
Weyerhaeuser Co.	-	-		-	6,807,600	506,929	9	1.17
Griffin–Spalding County Schools	-	-		-	13,454,134	1,318,505	3	3.05
	<u>93,492,944</u>	<u>\$ 8,289,672</u>		<u>16.47 %</u>	<u>109,943,602</u>	<u>\$ 8,974,595</u>		<u>20.74 %</u>

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property ⁽¹⁾	Percentage of Personal Income	Per Capita ⁽¹⁾
	Bonds	Capital Leases	Inter-governmental Agreement	Water Revenue Bonds	Notes Payable	Capital Leases	Inter-governmental Agreement				
2011	\$ -	\$ 4,211,614	\$ -	\$ 65,816,000	\$ 1,801,404	\$ 231,521	\$ 169,361	\$ 72,229,900	12.88%	\$ 2,400.62	\$ 3,027.11
2012	-	4,426,772	-	63,884,000	1,658,780	44,393	131,216	70,145,161	13.00%	2,165.38	2,966.85
2013	866,397	4,011,307	-	65,071,387	1,510,510	560,277	90,401	72,110,279	13.36%	2,374.78	3,083.09
2014	858,862	3,677,353	-	62,440,082	1,356,683	313,172	46,729	68,692,881	12.73%	2,271.82	2,905.42
2015	851,026	3,402,937	-	59,751,915	1,684,235	224,873	46,729	65,961,715	12.57%	2,000.36	2,789.90
2016	11,484,304	408,940	-	57,002,964	7,377,568	144,356	-	76,418,132	14.11%	2,624.34	3,293.89
2017	11,251,124	342,159	3,300,000	54,192,457	19,650,922	452,084	-	89,188,746	16.60%	2,909.72	3,889.95
2018	10,114,912	523,145	3,285,000	51,308,377	24,687,583	1,050,089	-	90,969,106	16.51%	2,963.94	3,847.61
2019	8,267,074	925,246	3,052,500	48,335,655	35,136,427	1,228,257	-	96,945,159	7.04%	3,069.15	4,237.48
2020	6,399,466	758,224	2,815,000	45,274,957	39,872,947	1,409,049	-	96,529,643	7.01%	3,055.99	4,219.32

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ See Schedule 7, Assessed Value and Estimated Actual Value of Taxable Property for property values and Schedule 16, Demographic and Economic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽¹⁾
2011	\$ -	\$ -	\$ -	0.00%	\$ -
2012	-	-	-	0.00%	-
2013	866,397	-	866,397	0.06%	37.04
2014	858,862	-	858,862	0.06%	36.33
2015	851,026	-	851,026	0.07%	35.99
2016	11,484,304	-	11,484,304	0.88%	495.01
2017	11,251,124	-	11,251,124	0.83%	490.72
2018	10,114,912	-	10,114,912	0.75%	427.82
2019	8,267,074	-	8,267,074	0.60%	361.35
2020	6,399,466	-	6,399,466	0.46%	280.52

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Page 125, Assessed Value and Estimated Actual Value of Taxable Property for property values and Page 137, Demographic and Economic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (In thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt limit	\$ 56,601	\$ 56,080	\$ 53,975	\$ 52,223	\$ 49,758	\$ 52,482	\$ 54,158	\$ 53,726	\$ 55,111	\$ 60,123
Total net debt applicable to limit	-	-	866	859	851	11,484	11,251	10,115	8,267	6,399
Legal debt margin	<u>\$ 56,601</u>	<u>\$ 56,080</u>	<u>\$ 53,109</u>	<u>\$ 51,364</u>	<u>\$ 48,907</u>	<u>\$ 40,998</u>	<u>\$ 42,907</u>	<u>\$ 43,611</u>	<u>\$ 46,844</u>	<u>\$ 53,724</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	1.60%	1.64%	1.71%	21.88%	20.77%	18.83%	15.00%	10.64%

Legal Debt Margin Calculation for Fiscal Year 2020

Total assessed value	\$ 642,527
Less Exempt:	41,294
Total taxable assessed value:	<u>601,233</u>
Debt limit (10% of total taxable assessed value)	60,123
 Debt applicable to limit:	
	<u>6,399</u>
 Legal debt margin	<u>\$ 53,724</u>

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

^(a) Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2019 are used for fiscal year ended in 2020).

CITY OF GRIFFIN, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT JUNE 30, 2020 (In thousands)

Jurisdiction	Debt Outstanding	Percentage Applicable to City of Griffin ⁽¹⁾	Amount Applicable to City of Griffin
General Obligation			
Griffin-Spalding County Airport Authority	\$ 5,630	50.00%	\$ 2,815
Direct:			
City of Griffin tax allocation bonds	786	100.00%	786
City of Griffin special purpose local option sales tax bonds	5,613	100.00%	5,613
City of Griffin intergovernmental payable	2,815	100.00%	2,815
City of Griffin capital leases	758	100.00%	758
Total	\$ 9,972		\$ 9,972

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

CITY OF GRIFFIN, GEORGIA

REVENUE BOND COVERAGE – COMBINED PUBLIC UTILITY REVENUE BONDS LAST TEN FISCAL YEARS (In thousands)

Fiscal Year	Operating Revenue ⁽¹⁾	Direct Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2011	\$ 64,696	\$ 43,117	\$ 21,579	\$ 1,861	\$ 3,212	\$ 5,073	4.25
2012	64,256	44,739	19,517	1,932	3,140	5,072	3.85
2013	63,396	45,769	17,627	2,006	2,508	4,514	3.90
2014	67,080	46,472	20,608	2,293	2,225	4,518	4.56
2015	68,236	47,775	20,461	2,354	2,194	4,548	4.50
2016	73,290	47,253	26,037	2,419	2,130	4,549	5.72
2017	69,501	48,146	21,355	2,487	2,092	4,579	4.66
2018	70,297	48,246	22,051	2,570	1,974	4,544	4.85
2019	77,213	51,716	25,497	2,675	1,871	4,546	5.61
2020	79,520	51,698	27,822	2,780	1,871	4,651	5.98

⁽¹⁾ Operating revenue includes operating revenue and interest of the Water/Wastewater fund and the Electric Fund.

⁽²⁾ Direct operating expenses do not include depreciation.

CITY OF GRIFFIN, GEORGIA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (In thousands)</u>	<u>Per Capita Personal Income (In thousands)</u>	<u>Unemployment Rate ⁽¹⁾</u>
2011	23,861	\$ 30,088	0.79	13.09%
2012	23,643	32,394	0.73	11.30%
2013	23,389	30,365	0.77	11.30%
2014	23,643	30,237	0.78	12.70%
2015	23,643	32,975	0.72	8.60%
2016	23,200	29,119	0.80	7.60%
2017	22,928	30,652	0.75	6.00%
2018	23,643	30,692	0.77	5.60%
2019	22,878	31,587	0.72	3.80%
2020	22,813	31,552	0.72	8.80%

* **Source** - <http://quickfacts.census.gov> & <https://suburbanstas.org>

⁽¹⁾ **Source** - <https://www.homefacts.com/unemployment/Georgia/Spalding-County/Griffin.html>

CITY OF GRIFFIN, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Caterpillar, Inc.	900	1	4.33%	900	1	1.92%
CareMaster Medical	600	2	2.88%	-		-
Norcom	280	3	1.35%	280	5	0.60%
1888 Mills/Southern Terry	278	4	1.34%	375	2	0.80%
AEP Industries	250	5	1.20%	250	3	0.53%
Hoshzaki America Inc.	240	6	1.15%	-		-
Supreme Corporation	200	7	0.96%	200	4	0.43%
Bandag, Inc.	170	8	0.82%	-		-
Vernay Manufacturing, Inc.	165	9	0.79%	160	10	0.34%
Coveris, LLC	160	10	0.77%	-		-
Fashion Industries	-		-	200	6	0.43%
Exopack	-		-	160	7	0.34%
William Carter Co.	-		-	168	8	0.36%
International Paper	-		-	150	9	0.32%
Total	<u>3,243</u>		<u>15.59%</u>	<u>2,843</u>		<u>6.07%</u>

* **Sources** - Griffin-Spalding Chamber of Commerce/
Revenue bonds series 1997/GA Dept of Labor.

CITY OF GRIFFIN, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Administration	45	31	29	30	30	30	32	33	32	32
Judicial	1	1	2	2	3	3	2	4	4	4
Public safety	170	164	168	172	158	156	155	157	151	149
Public works	46	49	44	46	44	46	49	49	50	39
Development	6	7	9	6	6	6	6	5	3	4
Water/wastewater operations	68	64	74	73	67	53	78	69	74	77
Electric operations	64	64	60	64	61	59	59	58	54	59
Solid waste operations	45	42	40	40	38	36	41	39	36	41
Golf course operations	-	-	9	9	8	13	14	12	9	11
Airport operations	4	4	4	-	-	-	-	-	4	4
Welcome center	2	2	-	-	-	-	-	-	-	-
Stormwater	14	13	14	14	16	13	14	15	14	15
Motor pool	11	11	11	11	10	11	9	10	9	9
Total	476	452	461	466	441	426	459	451	440	444

Source: City Finance Department.

CITY OF GRIFFIN, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

<u>Function/Program</u>	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Physical arrests	3,959	3,802	3,756	3,650	3,950	2,149	3,020	3,387	3,882	2,789
Parking violations	191	5	-	5	-	-	10	2	2	3
Traffic violations	11,862	11,062	8,928	9,439	10,891	7,803	6,997	8,560	10,111	7,117
Fire										
Emergency responses	1,405	1,515	1,645	1,770	1,566	2,089	2,147	2,254	2,187	2,262
Fires extinguished	202	167	81	166	139	59	113	136	179	172
Inspections	1,254	1,332	1,164	1,103	1,223	1,525	1,687	1,684	1,614	1,880
Refuse Collection										
Refuse collected (tons per day)	29	30	30	36	37	-	-	-	-	-
Other Public Works										
Street resurfacing (miles)	10	-	13	2	1	2	2	2	2	2
Potholes repaired	753	215	462	482	466	805	318	331	915	612
Parks and recreation										
Athletic field permits issued	-	-	145	115	-	-	-	-	-	-
Water										
New connections	20	16	14	13	13	7	18	52	91	81
Water main breaks	34	37	41	20	20	30	19	58	53	40
Average daily consumption (millions of gallons)	8.98	8.95	8.97	9.14	9.14	9.00	9.86	31.00	7.38	7.63
Peak daily consumption (millions of gallons)	1.44	15.67	12.93	12.02	12.02	12.77	14.19	17.55	16.09	17.33
Wastewater										
Average daily sewage treatment (millions of gallons)	3.26	2.95	3.61	3.85	3.85	3.86	3.03	3.23	3.91	3.97

Sources: Various City departments.

CITY OF GRIFFIN, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	2	2	2	2	2	2	2	2	1	1
Zone officers	54	56	56	56	52	45	87	80	80	80
Patrol units	104	105	55	74	70	66	100	100	90	90
Fire stations	3	3	3	3	3	3	3	4	4	4
Public works										
Streets (miles)	160	140	140	140	138	140	140	140	139	140
Streetlights	879	879	879	879	879	879	879	879	1,143	1,174
Traffic signals	913	58	58	76	58	69	65	65	65	40
Parks and recreation										
Acreage	207	212	210	210	210	194	200	200	200	200
Playgrounds	4	5	5	5	4	5	5	5	5	5
Water										
Water mains (miles)	623	200	212	212	212	213	213	213	212	212
Fire hydrants	7,392	1,240	1,240	1,426	1,130	1,130	1,130	1,130	1,394	1,394
Storage capacity (thousands of gallons)	500	700	700	750	500	500	500	500	500	1,100
Wastewater										
Sanitary sewers (miles)	225	232	232	233	234	231	254	254	254	237
Storm sewers (miles)	100	64	64	65	67	80	67	67	67	63
Treatment capacity (thousands of gallons)	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	9.50	6.75

Sources: Various City departments.

Note: No capital asset indicators are available for the general government functions.

COMPLIANCE SECTION



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

**To the Honorable Mayor and Members
of the City Commission
City of Griffin, Georgia
Griffin, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Griffin, Georgia (the "City"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Griffin, Georgia's basic financial statements and have issued our report thereon dated November 2, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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


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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

The image shows a handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC". The signature is written in black ink and is positioned to the right of the date and location information.

Macon, Georgia
November 2, 2020



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

**To the Honorable Mayor and Members
of the City Commission
City of Griffin, Georgia
Griffin, Georgia**

Report on Compliance for Each Major Federal Program

We have audited the City of Griffin, Georgia's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
November 2, 2020

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Total Expenditures	Passed Through to Subrecipients
<u>U.S. Department of Transportation</u>				
(Passed through the Georgia Department of Transportation)				
Federal Highway Administration - Highway Planning and Construction	20.205	PI. NO. 0010333	\$ 2,920	\$ -
Federal Highway Administration - Highway Planning and Construction	20.205	130010333z230	2,191,628	-
Federal Highway Administration - Highway Planning and Construction	20.205	COG001-7308	2,000	-
Total Highway Planning and Construction Cluster			2,196,548	-
Airport Improvement Program	20.106	AP019-9033-33(255)	108,599	-
Total U.S. Department of Transportation			2,305,147	-
<u>Department of Justice</u>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-1044	19,419	-
BJA FY 17 Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0229	20,833	-
Equitable Sharing Program - Police Department	16.922	GA1260100	42,894	-
Total Department of Homeland Security			83,146	-
<u>U.S. Environmental Protection Agency</u>				
(Passed through the Georgia Department of Natural Resources)				
Capitalization Grants for Clean Water State Revolving Funds	66.458	GEFA-CW2018002	2,993,369	-
Capitalization Grants for Clean Water State Revolving Funds	66.458	GEFA-CW2017002	1,467,901	-
Capitalization Grants for Clean Water State Revolving Funds	66.458	GEFA-CW2019017	380,806	-
Total U.S. Environmental Protection Agency			4,842,076	-
Total Expenditures of Federal Awards			\$ 7,230,369	\$ -

CITY OF GRIFFIN, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Griffin, Georgia (the "City"), and is presented on the modified accrual basis of accounting.

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

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the 10% de minimis cost rate for the year ended June 30, 2020.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2020.

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses? ___ Yes X None Reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses? ___ Yes X None Reported

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

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance? ___ Yes X No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
66.458	U.S. Environmental Protection Agency Capitalization Grants for Drinking Water State Revolving Funds
20.205	U.S. Department of Transportation Highway Planning and Construction Cluster

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ___ Yes X No

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

CITY OF GRIFFIN, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.