



CITY OF GRIFFIN, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

Prepared by:
Griffin Finance Department

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INTRODUCTORY SECTION



April 11, 2023

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

Ladies and Gentlemen:

The Annual Comprehensive Financial Report (ACFR) of the City of Griffin, Georgia for the fiscal year ended June 30, 2022, 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 expenditures of \$550,000.00 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, 2022. 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, 2022. 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 23,446 (1,675 per square mile).
- *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 Manager – 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, a resident of the City for at least twelve months, and a resident of the district 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 two Commissioners and the Mayor on one cycle and four Commissioners on the next cycle.

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

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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, and an historic cemetery. 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 ACFR.
 - *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 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 an \$80 million 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 is already well underway, and we estimate 5-7 years to completion.

- *Budget process* – In accordance with [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 orderly means of

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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 15. 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 governmental funds are presented in the Supplementary Information 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 of their operational divisions. 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 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 decreased to 4.4 percent compared to 8.1 percent 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 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 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 who were hired prior to July 1, 2007. 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. From 2014 to 2018, the City benefited from a three-phase \$60+ million redevelopment effort of Meriwether Homes which involved a total redevelopment unit count of 239. This successful project involves a blend of mixed income units which has the distinction for Low-Income Housing Tax Credits and 55 and older senior housing units. In 2019, the Griffin Housing Authority started the revitalization of the 50 senior units at Nine Oaks and the 80 family units at Fairmont Homes. These redevelopment projects in addition to revitalizing the existing housing stock with the Housing Authority have also added an additional 119 affordable housing units in the City. The City is also experiencing revitalization in the form of new loft units downtown, infill development in our older established neighborhoods and a greater chance that substandard properties are likely rehabilitated instead demolished. New home construction has also exploded throughout Griffin as a result of these efforts with 472 new housing starts since 2017.
 - *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 \$6 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 8.54 miles of water mains, 2.3 miles of sewer lines, replace 109 sewer manholes, renew 700 water services lines, and install 76 new fire hydrants.
- *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 received a \$4 million loan through GEFA as funding for infrastructure replacement.
- *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. In addition, the City received \$2.5 million from Department of Transportation for road improvements. Additional 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 offer up to \$5,000 of the cost to renovate the exterior of your new business location.
 - The City offers up to \$250,000 available credit financed at 2% interest rate for 40% of your 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 your project exceeds \$250,000.
 - Up to \$10,000 available at a low interest rate from the DDA's Internal Revolving Loan Fund.
 - 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 your 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, 2021. This was the 18th 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 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,



Jessica O'Connor,
City Manager



Douglas Hollberg,
Mayor

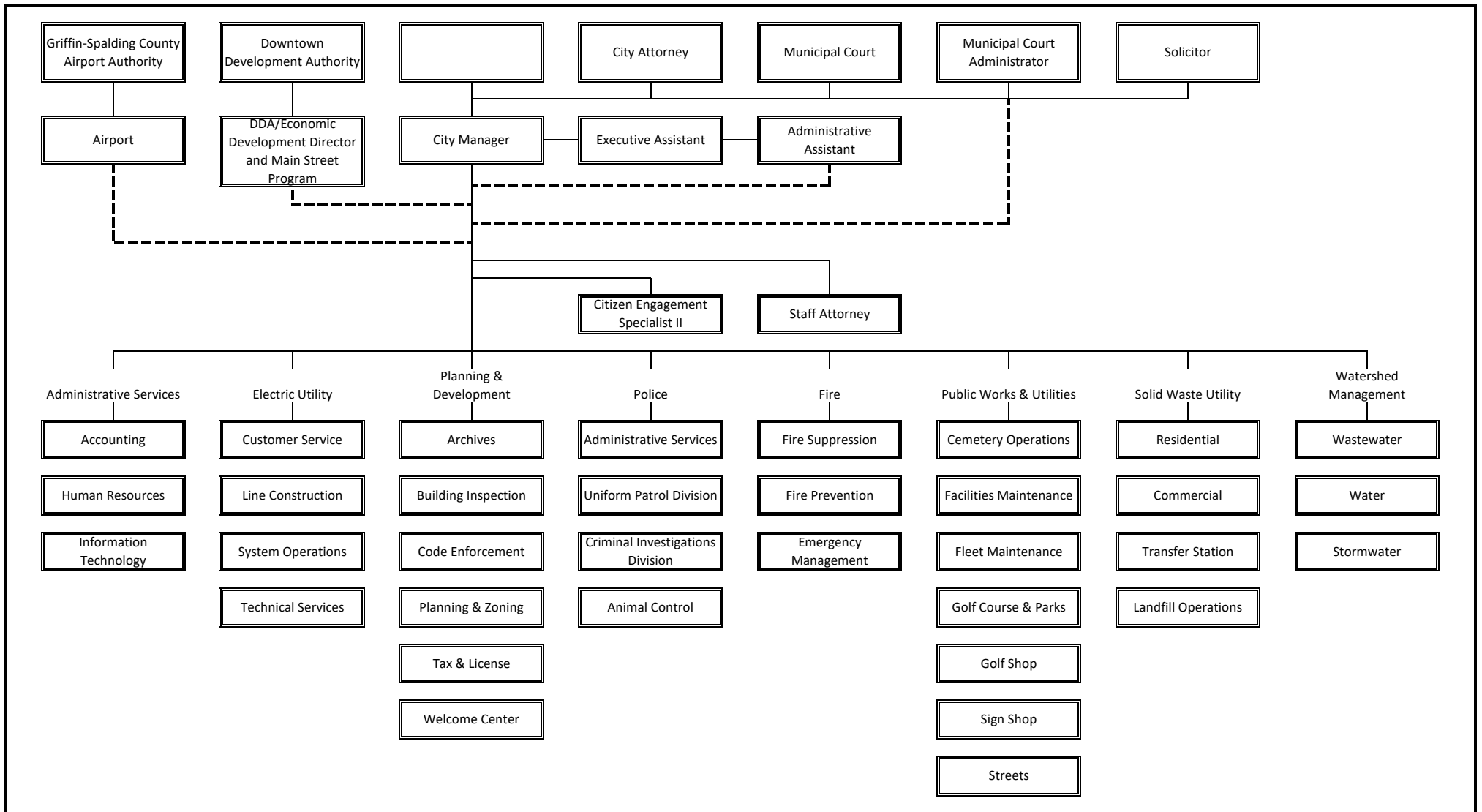


Amanda Carmichael,
Accounting Director

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CITY OF GRIFFIN, GEORGIA

ORGANIZATIONAL CHART JUNE 30, 2022



CITY OF GRIFFIN, GEORGIA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2022

Mayor

Douglas S. Holberg

Commissioners

District I
District II
District III
District IV
District V
District VI

Cynthia Reid Ward
Cora Flowers
Holly Murray
David Brock
Truman L. Tinsley III
Rodney McCord

Appointed Officials

City Manager
City Attorney
Municipal Court Judge
Municipal Court Solicitor

Jessica O'Connor, Esq.
Andrew Whalen, Esq.
Griffin E. Howell, III
L. Scott Mayfield

Directors

Director of Planning and Development
Director of Public Works
Director of Economic Development
Director of Water Wastewater
Director of Electric
Director of Solid Waste
Director of Stormwater

Chad Jacobs
Mariza Eller
Jeremy Stratton
Brandon Lewis
Jennifer Freeman
Todd Ennis
Brice Martin



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Griffin
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

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 Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of **City of Griffin, Georgia** (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units and the aggregate remaining fund information of the City, as of June 30, 2022, 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.

Basis for Opinions

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

Change in Accounting Principle

As discussed in Notes 1 and 4 to the financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of July 1, 2021. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 14), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on pages 80 and 81), the Schedule of City Contributions – Retirement Plan (on pages 82 and 83), the Schedule of Changes in the City's Net OPEB Liability and Related Ratios (on page 84), and the Schedule of City Contributions – OPEB Plan (on page 85) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and schedules, 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 and Transportation Special Option Sales Tax proceeds are presented for the purpose of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A") §48-8-121, and are 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules, the schedule of expenditures of Special Purpose Local Option Sales Tax proceeds, the schedule of expenditures of Transportation 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2023 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 City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
April 11, 2023

CITY OF GRIFFIN, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

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, 2022. 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 \$227,879,873 (*net position*). Of this amount, \$74,448,665 (*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 \$22,353,951 during the year. This is due primarily to the increase in capital assets of \$7,679,667 and an increase of \$11,878,574 in unrestricted net position. The majority of this relates to Water/Wastewater investment in infrastructure and capital improvements.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$38,255,677 an increase of \$3,450,218 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was \$15,800,663, or 51.3%, of total General Fund expenditures.
- The City's total long-term liabilities decreased by \$1,146,119 during the current fiscal year. This included the City's Net Pension Liability of \$24,298,420.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis ("MD&A") 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 15 and 16 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 21 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 Special Purpose Local Option Sales Tax ("SPLOST") Fund only, because they are considered major funds. Data from the other 19 governmental funds (13 special revenue funds, three 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 17 – 21 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 22 – 29 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 pages 30 and 31 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 32 – 79 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 80 – 91 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 \$227,879,873 (*net position*).

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the City's net position (56.31%) 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 | |
|-----------------------------------|-------------------------|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current and other assets | \$ 57,334,258 | \$ 44,703,933 | \$ 93,790,295 | \$ 85,603,107 | \$ 151,124,553 | \$ 130,307,040 |
| Capital assets | 54,322,176 | 51,329,324 | 172,812,973 | 161,101,172 | 227,135,149 | 212,430,496 |
| Total assets | <u>111,656,434</u> | <u>96,033,257</u> | <u>266,603,268</u> | <u>246,704,279</u> | <u>378,259,702</u> | <u>342,737,536</u> |
| Deferred outflows of resources | <u>7,314,385</u> | 6,901,966 | <u>6,025,008</u> | 5,816,828 | <u>13,339,393</u> | 12,718,794 |
| Other liabilities | 1,962,499 | 1,935,055 | 13,339,669 | 9,836,912 | 15,302,168 | 11,771,967 |
| Long-term liabilities outstanding | <u>19,918,668</u> | 27,371,260 | <u>114,269,232</u> | 107,962,759 | <u>134,187,900</u> | 135,334,019 |
| Total liabilities | <u>21,881,167</u> | <u>29,306,315</u> | <u>127,608,901</u> | <u>117,799,671</u> | <u>149,490,068</u> | <u>147,105,986</u> |
| Deferred inflows of resources | <u>8,436,993</u> | 1,684,179 | <u>5,792,161</u> | 1,140,243 | <u>14,229,154</u> | 2,824,422 |
| Net position: | | | | | | |
| Net investment in capital assets | 51,070,256 | 46,019,877 | 77,254,530 | 74,625,242 | 128,324,786 | 120,645,119 |
| Restricted | 22,683,003 | 19,969,035 | 2,423,419 | 2,341,677 | 25,106,422 | 22,310,712 |
| Unrestricted | 14,899,400 | 5,955,817 | 59,549,265 | 56,614,274 | 74,448,665 | 62,570,091 |
| Total net position | <u>\$ 88,652,659</u> | <u>\$ 71,944,729</u> | <u>\$ 139,227,214</u> | <u>\$ 133,581,193</u> | <u>\$ 227,879,873</u> | <u>\$ 205,525,922</u> |

A portion of the City's net position (11.02%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$74,448,665) 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, Community Development Block Grant ("CDBG") 2021 Fund, CDBG 2022 Fund, Federal Emergency Management Agency ("FEMA") Fund, Welcome Center Fund, and the Solid Waste Fund. The Police Technology Fund's deficit fund balance of (\$5,894), CDBG 2021 Fund's deficit fund balance of (\$67,016), CDBG 2022 Fund's deficit fund balance of (\$1,969), and Welcome Center Fund's deficit fund balance of (\$149,533) is the result of timing differences and will be reduced through intergovernmental revenues and general fund transfers. The FEMA Fund deficit of (\$308,474) is due to COVID-19 related expenses filed for and pending reimbursement from FEMA. The Solid Waste Fund's deficit net position of (\$6,712,646) is the result of an adjustment to the closure/post-closure care costs dating back to 2019. Since then, the Solid Waste Department has implemented significant operational improvements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities. Governmental activities during the fiscal year ended June 30, 2022, increased the City's net position by \$16,723,621. Business-type activities during the same period increased net position by \$5,646,021 for a total increase in net position of \$22,369,642.

Key elements of this increase are as follows:

| | City of Griffin's Changes in Net Position | | | | | |
|---|---|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 9,279,932 | \$ 7,996,459 | \$ 93,934,475 | \$ 90,368,173 | \$ 103,214,407 | \$ 98,364,632 |
| Operating grants and contributions | 599,286 | 199,073 | - | - | 599,286 | 199,073 |
| Capital grants and contributions | 9,008,512 | 10,481,416 | 462,797 | 198,922 | 9,471,309 | 10,680,338 |
| General revenues: | | | | | | |
| Property taxes | 11,398,259 | 4,782,016 | - | - | 11,398,259 | 4,782,016 |
| Sales taxes | 5,247,495 | 5,025,382 | - | - | 5,247,495 | 5,025,382 |
| Insurance premium tax | 1,923,982 | 1,866,289 | - | - | 1,923,982 | 1,866,289 |
| Other taxes | 1,955,748 | 1,931,565 | - | - | 1,955,748 | 1,931,565 |
| Franchise taxes | 524,041 | 514,078 | - | - | 524,041 | 514,078 |
| Unrestricted investment earnings | 145,217 | 1,319,244 | 56,506 | 503,625 | 201,723 | 1,822,869 |
| Gain on sale of capital assets | - | 38,020 | 225,920 | - | 225,920 | 38,020 |
| Total revenues | <u>40,082,472</u> | <u>34,153,542</u> | <u>94,679,698</u> | <u>91,070,720</u> | <u>134,762,170</u> | <u>125,224,262</u> |
| Expenses: | | | | | | |
| General government | 6,699,391 | 3,525,727 | - | - | 6,699,391 | 3,525,727 |
| Judicial | 316,296 | 364,075 | - | - | 316,296 | 364,075 |
| Public safety | 17,247,421 | 17,216,914 | - | - | 17,247,421 | 17,216,914 |
| Public works | 5,713,494 | 6,406,105 | - | - | 5,713,494 | 6,406,105 |
| Health and welfare | 15,691 | - | - | - | 15,691 | - |
| Parks and recreation | (359,709) | 378,481 | - | - | (359,709) | 378,481 |
| Housing and development | 2,588,988 | 1,532,413 | - | - | 2,588,988 | 1,532,413 |
| Interest on long-term debt | 111,940 | 99,760 | - | - | 111,940 | 99,760 |
| Water and wastewater | - | - | 18,112,375 | 18,169,568 | 18,112,375 | 18,169,568 |
| Electric | - | - | 48,234,998 | 43,354,254 | 48,234,998 | 43,354,254 |
| Solid Waste | - | - | 9,885,131 | 8,855,745 | 9,885,131 | 8,855,745 |
| Stormwater | - | - | 2,275,032 | 2,229,021 | 2,275,032 | 2,229,021 |
| Telecommunications | - | - | 544,706 | 133,430 | 544,706 | 133,430 |
| Golf Course | - | - | 1,022,465 | 879,589 | 1,022,465 | 879,589 |
| Total expenses | <u>32,333,512</u> | <u>29,523,475</u> | <u>80,074,707</u> | <u>73,621,607</u> | <u>112,408,219</u> | <u>103,145,082</u> |
| Change in net position before transfers | <u>7,748,960</u> | <u>4,630,067</u> | <u>14,604,991</u> | <u>17,449,113</u> | <u>22,353,951</u> | <u>22,079,180</u> |
| Transfers | <u>8,958,970</u> | <u>9,558,395</u> | <u>(8,958,970)</u> | <u>(9,558,395)</u> | <u>-</u> | <u>-</u> |
| Change in net position | <u>16,707,930</u> | <u>14,188,462</u> | <u>5,646,021</u> | <u>7,890,718</u> | <u>22,353,951</u> | <u>22,079,180</u> |
| Net position, beginning | <u>71,944,729</u> | <u>57,756,267</u> | <u>133,581,193</u> | <u>125,690,475</u> | <u>205,525,922</u> | <u>183,446,742</u> |
| Net position, ending | <u>\$ 88,652,659</u> | <u>\$ 71,944,729</u> | <u>\$ 139,227,214</u> | <u>\$ 133,581,193</u> | <u>\$ 227,879,873</u> | <u>\$ 205,525,922</u> |

MANAGEMENT'S DISCUSSION AND ANALYSIS

As can be seen above, the governmental activities show a deficit of revenues over expenses before transfers of \$7,748,960 and \$4,630,067 for 2022 and 2021, respectively. This increase in revenues was primarily due to tax receipts and services in fiscal year 2022 compared to fiscal year 2021. 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 rate 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 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 \$6,016,574 in 2022 and increased net position by \$8,189,823 in 2021.

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.

At the end of 2022 and 2021, the combined ending fund balances of the City's governmental funds were a positive \$38,255,677 and a positive \$34,805,459, respectively. This increase was due to increased revenues and a decrease in expenditures. At June 30, 2022, \$15,174,790 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 governmental funds. A portion of the fund balance at June 30, 2022, \$5,675,951, 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 \$17,404,936 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 2022, the General Fund had a positive fund balance of \$15,800,663 and represents an increase of \$825,341 from the beginning fund balance. This is primarily due to revenues in the General Fund coming in \$1,410,382 over initial budget estimates. Specifically, the category of property and other taxes came in \$892,369 higher than initial budget estimates.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

| | 2022 | 2021 |
|---|--------------|--------------|
| Net operating income (loss): | | |
| Water/Wastewater Fund | \$ 9,700,720 | \$ 8,831,950 |
| Electric Utility Fund | 8,725,149 | 10,484,191 |
| Solid Waste Fund | (320,978) | (633,570) |
| Nonmajor Enterprise Funds | 278,992 | 327,338 |
| Total net operating income | 18,383,883 | 19,009,909 |
| Nonoperating expenses and capital contributions | (3,408,339) | (1,261,691) |
| Income before transfers | 14,975,544 | 17,748,218 |
| Net transfers out | (8,958,970) | (9,558,395) |
| Changes in net position | \$ 6,016,574 | \$ 8,189,823 |

The net position of the City's enterprise funds increased by \$5,646,021 in 2022, compared to \$7,890,718 in 2021. This increase is primarily a result of revenues exceeding expenses before transfers and capital contributions of \$14,604,991 in 2022, and \$17,449,113 in 2021.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ended June 30, 2022, governmental activities and business-type activities had capital assets of \$227,135,149 (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 6.92% (5.83% increase for governmental activities and a 7.27% 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/Wastewater fund infrastructure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

| | City of Griffin's Capital Assets (net of depreciation) | | | | | |
|-----------------------------------|---|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land | \$ 3,266,876 | \$ 3,266,876 | \$ 7,354,903 | \$ 7,354,903 | \$ 10,621,779 | \$ 10,621,779 |
| Land improvements | - | - | 926,147 | 999,027 | 926,147 | 999,027 |
| Buildings and improvements | 6,102,064 | 6,358,535 | 14,455,394 | 12,368,111 | 20,557,458 | 18,726,646 |
| Improvements other than buildings | - | - | 122,589,487 | 128,392,093 | 122,589,487 | 128,392,093 |
| Machinery and equipment | 4,530,526 | 5,236,123 | 6,750,206 | 6,155,774 | 11,280,732 | 11,391,897 |
| Infrastructure | 8,275,915 | 8,813,514 | - | - | 8,275,915 | 8,813,514 |
| Construction in progress | 32,146,795 | 27,654,276 | 20,736,836 | 5,831,264 | 52,883,631 | 33,485,540 |
| Total | <u>\$ 54,322,176</u> | <u>\$ 51,329,324</u> | <u>\$ 172,812,973</u> | <u>\$ 161,101,172</u> | <u>\$ 227,135,149</u> | <u>\$ 212,430,496</u> |

Additional information on the City's capital assets can be found in Note 5 on pages 52 – 55 of this report.

Debt Administration. At the end of June 30, 2022, the City had \$19,918,668 of outstanding long-term liabilities related to governmental activities and \$114,269,232 of long-term liabilities related to business-type activities for a total of \$134,187,900 compared to the previous year's total of \$135,334,019. This is a decrease of \$1,146,119, the majority of which is the result of a \$7,452,592 reduction in long-term debt in governmental funds, and an increase of \$6,306,473 in notes payable in Watershed Management fund for major capital improvements. At the end of 2022, the City had total revenue bonded debt outstanding of \$38,875,810 as compared to \$42,121,953 in 2021. 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 55 – 63 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, 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 Coronavirus Aid Relief and Economic Security ("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 FY22 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 required 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 experienced 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 2022 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:

Mrs. Jessica O'Connor, City Manager
City of Griffin
P.O. Box T
Griffin, Georgia 30224.

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF NET POSITION
JUNE 30, 2022**

| ASSETS | Primary Government | | | Component Units | | |
|---|----------------------|-----------------------|-----------------------|-------------------|-------------------|----------------------|
| | Governmental | Business-type | Total | Griffin | Griffin | Griffin-Spalding |
| | Activities | Activities | | Main | Downtown | County Airport |
| | | | Street | Development | Authority | |
| Cash and cash equivalents | \$ 33,316,494 | \$ 9,985,269 | \$ 43,301,763 | \$ 53,226 | \$ 161,119 | \$ 930,449 |
| Investments | 23,568,405 | 41,311,627 | 64,880,032 | - | - | - |
| Taxes receivable | 1,236,452 | - | 1,236,452 | - | - | - |
| Accounts receivable, net of allowances | - | 13,025,538 | 13,025,538 | - | - | 346,749 |
| Lease receivable current | 114,495 | - | 114,495 | - | - | - |
| Due from other governments | 4,792,273 | 1,258,751 | 6,051,024 | - | - | 2,320,000 |
| Due from component units | 6,518 | 339,897 | 346,415 | - | - | - |
| Due from primary government | - | - | - | 38,718 | 74,159 | 2,335,529 |
| Internal balances | (12,387,919) | 12,387,919 | - | - | - | - |
| Inventories | 216,269 | 2,715,460 | 2,931,729 | - | - | 54,559 |
| Prepaid expenses | 2,175,235 | 495,563 | 2,670,798 | - | - | - |
| Restricted assets: | | | | | | |
| Cash and cash equivalents | - | 5,318,575 | 5,318,575 | - | - | - |
| Investments | - | 4,368,098 | 4,368,098 | - | - | - |
| Assets held for resale | 155,364 | - | 155,364 | - | - | - |
| Net other post-employment benefits asset | 3,904,594 | 2,583,598 | 6,488,192 | - | - | - |
| Lease receivable non-current | 236,078 | - | 236,078 | - | - | - |
| Capital assets: | | | | | | |
| Nondepreciable | 35,413,671 | 28,091,739 | 63,505,410 | 16,870 | 62,846 | 17,270,331 |
| Depreciable, net | 18,908,505 | 144,721,234 | 163,629,739 | - | - | 2,214,985 |
| Total assets | <u>111,656,434</u> | <u>266,603,268</u> | <u>378,259,702</u> | <u>108,814</u> | <u>298,124</u> | <u>25,472,602</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| Pension | 7,008,457 | 5,200,682 | 12,209,139 | - | - | 90,873 |
| Other post-employment benefits | 305,928 | 202,426 | 508,354 | - | - | - |
| Deferred charges on refundings | - | 621,900 | 621,900 | - | - | - |
| Total deferred outflows of resources | <u>7,314,385</u> | <u>6,025,008</u> | <u>13,339,393</u> | <u>-</u> | <u>-</u> | <u>90,873</u> |
| LIABILITIES | | | | | | |
| Accounts payable | 797,147 | 8,662,192 | 9,459,339 | 2,615 | - | 24,666 |
| Accrued liabilities | 1,036,946 | 770,704 | 1,807,650 | - | - | 109,405 |
| Due to primary government | - | - | - | 3,929 | 3,455 | 339,031 |
| Due to component unit | 128,406 | - | 128,406 | - | - | - |
| Unearned revenues | - | 22,208 | 22,208 | 238 | - | 56,475 |
| Customer deposits payable | - | 3,884,565 | 3,884,565 | - | - | - |
| Financed purchases due within one year | 107,676 | 530,594 | 638,270 | - | - | - |
| Financed purchases due in more than one year | 506,182 | 1,391,696 | 1,897,878 | - | - | - |
| Notes payable due within one year | - | 1,675,154 | 1,675,154 | - | - | - |
| Notes payable due in more than one year | - | 53,707,089 | 53,707,089 | - | - | - |
| Bonds payable due within one year | 1,914,744 | 3,125,000 | 5,039,744 | - | - | 515,000 |
| Bonds payable due in more than one year | 723,318 | 35,750,810 | 36,474,128 | - | - | 4,284,175 |
| Compensated absences due within one year | 426,432 | 349,328 | 775,760 | - | - | 10,985 |
| Compensated absences due in more than one year | 75,253 | 61,645 | 136,898 | - | - | 1,939 |
| Net pension liability due in more than one year | 13,845,063 | 10,273,840 | 24,118,903 | - | - | 179,517 |
| Due to Griffin-Spalding County Airport Authority, within one year | 257,500 | - | 257,500 | - | - | - |
| Due to Griffin-Spalding County Airport Authority, in more than one year | 2,062,500 | - | 2,062,500 | - | - | - |
| Landfill post-closure care costs due within one year | - | 43,940 | 43,940 | - | - | - |
| Landfill post-closure care costs due in more than one year | - | 7,360,136 | 7,360,136 | - | - | - |
| Total liabilities | <u>21,881,167</u> | <u>127,608,901</u> | <u>149,490,068</u> | <u>6,782</u> | <u>3,455</u> | <u>5,521,193</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Lease receipts | 350,573 | - | 350,573 | - | - | - |
| Pension | 5,493,247 | 4,076,305 | 9,569,552 | - | - | 71,226 |
| Other post-employment benefits | 2,593,173 | 1,715,856 | 4,309,029 | - | - | - |
| Total deferred inflows of resources | <u>8,436,993</u> | <u>5,792,161</u> | <u>14,229,154</u> | <u>-</u> | <u>-</u> | <u>71,226</u> |
| NET POSITION | | | | | | |
| Net investment in capital assets | 51,070,256 | 77,254,530 | 128,324,786 | 16,870 | 62,846 | 19,341,670 |
| Restricted for: | | | | | | |
| Debt service | - | 1,684,950 | 1,684,950 | - | - | - |
| Law enforcement | 353,474 | - | 353,474 | - | - | - |
| Cemetery maintenance: | | | | | | |
| Expendable | 1,872,780 | - | 1,872,780 | - | - | - |
| Nonexpendable | 3,505,631 | - | 3,505,631 | - | - | - |
| Capital projects | 16,951,118 | 738,469 | 17,689,587 | - | - | - |
| Unrestricted | 14,899,400 | 59,549,265 | 74,448,665 | 85,162 | 231,823 | 629,386 |
| Total net position | <u>\$ 88,652,659</u> | <u>\$ 139,227,214</u> | <u>\$ 227,879,873</u> | <u>\$ 102,032</u> | <u>\$ 294,669</u> | <u>\$ 19,971,056</u> |

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, 2022**

| Functions/Programs | Program Revenues | | | | Net (Expenses) Revenues and Changes in Net Position | | | | | | |
|---|-----------------------|-----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------------|---------------------|------------------------------|---|--|
| | Expenses | 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 | Griffin-Spalding County Airport Authority | |
| Primary government | | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | | |
| General government | \$ 6,699,391 | \$ 7,023,044 | \$ - | \$ - | \$ 323,653 | \$ - | \$ 323,653 | \$ - | \$ - | \$ - | |
| Judicial | 316,296 | - | - | - | (316,296) | - | (316,296) | - | - | - | |
| Public safety | 17,247,421 | 1,108,295 | 599,286 | 1,382 | (15,538,458) | - | (15,538,458) | - | - | - | |
| Public works | 5,713,494 | 303,793 | - | 9,007,130 | 3,597,429 | - | 3,597,429 | - | - | - | |
| Health and welfare | 15,691 | - | - | - | (15,691) | - | (15,691) | - | - | - | |
| Parks and recreation | (359,709) | 241,593 | - | - | 601,302 | - | 601,302 | - | - | - | |
| Housing and economic development | 2,588,988 | 603,207 | - | - | (1,985,781) | - | (1,985,781) | - | - | - | |
| Interest on long-term debt | 111,940 | - | - | - | (111,940) | - | (111,940) | - | - | - | |
| Total governmental activities | <u>32,333,512</u> | <u>9,279,932</u> | <u>599,286</u> | <u>9,008,512</u> | <u>(13,445,782)</u> | <u>-</u> | <u>(13,445,782)</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Business-type activities | | | | | | | | | | | |
| Water and wastewater | 18,112,375 | 25,751,330 | - | 462,797 | - | 8,101,752 | 8,101,752 | - | - | - | |
| Electric | 48,234,998 | 54,841,913 | - | - | - | 6,606,915 | 6,606,915 | - | - | - | |
| Solid waste | 9,885,131 | 9,275,381 | - | - | - | (609,750) | (609,750) | - | - | - | |
| Stormwater | 2,275,032 | 2,640,151 | - | - | - | 365,119 | 365,119 | - | - | - | |
| Telecommunications | 544,706 | 914,821 | - | - | - | 370,115 | 370,115 | - | - | - | |
| Golf course | 1,022,465 | 510,879 | - | - | - | (511,586) | (511,586) | - | - | - | |
| Total business-type activities | <u>80,074,707</u> | <u>93,934,475</u> | <u>-</u> | <u>462,797</u> | <u>-</u> | <u>14,322,565</u> | <u>14,322,565</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Total primary government | <u>\$ 112,408,219</u> | <u>\$ 103,214,407</u> | <u>\$ 599,286</u> | <u>\$ 9,471,309</u> | <u>(13,445,782)</u> | <u>14,322,565</u> | <u>876,783</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Component units | | | | | | | | | | | |
| Griffin Main Street | \$ 110,004 | \$ - | \$ 105,949 | \$ - | - | - | - | (4,055) | - | - | |
| Griffin Downtown Development Authority | 120,755 | - | 122,377 | - | - | - | - | - | 1,622 | - | |
| Griffin-Spalding County Airport Authority | 1,056,865 | 509,333 | 528,197 | 8,434,927 | - | - | - | - | - | 8,415,592 | |
| Total component units | <u>\$ 1,287,624</u> | <u>\$ 509,333</u> | <u>\$ 756,523</u> | <u>\$ 8,434,927</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(4,055)</u> | <u>1,622</u> | <u>8,415,592</u> | |
| General revenues: | | | | | | | | | | | |
| Property taxes | | | | | 11,398,259 | - | 11,398,259 | - | - | - | |
| Sales taxes | | | | | 5,247,495 | - | 5,247,495 | - | - | - | |
| Insurance premium tax | | | | | 1,923,982 | - | 1,923,982 | - | - | - | |
| Alcoholic beverage taxes | | | | | 691,816 | - | 691,816 | - | - | - | |
| Business occupational taxes | | | | | 428,575 | - | 428,575 | - | - | - | |
| Franchise taxes | | | | | 524,041 | - | 524,041 | - | - | - | |
| Other taxes | | | | | 835,357 | - | 835,357 | - | - | - | |
| Unrestricted investment earnings | | | | | 145,217 | 56,506 | 201,723 | - | 37 | 95 | |
| Gain on sale of capital assets | | | | | - | 225,920 | 225,920 | - | - | 3,000 | |
| Transfers | | | | | 8,958,970 | (8,958,970) | - | - | - | - | |
| Total general revenues and transfers | | | | | <u>30,153,712</u> | <u>(8,676,544)</u> | <u>21,477,168</u> | <u>-</u> | <u>37</u> | <u>3,095</u> | |
| Change in net position | | | | | 16,707,930 | 5,646,021 | 22,353,951 | (4,055) | 1,659 | 8,418,687 | |
| Net position, beginning of year | | | | | 71,944,729 | 133,581,193 | 205,525,922 | 106,087 | 293,010 | 11,552,369 | |
| Net position, end of year | | | | | <u>\$ 88,652,659</u> | <u>\$ 139,227,214</u> | <u>\$ 227,879,873</u> | <u>\$ 102,032</u> | <u>\$ 294,669</u> | <u>\$ 19,971,056</u> | |

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

CITY OF GRIFFIN, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

| ASSETS | General | 2016 SPLOST | Nonmajor Governmental Funds | Totals Governmental Funds |
|--|----------------------|------------------------|--|--|
| Cash and cash equivalents | \$ 12,342,415 | \$ 11,066,999 | \$ 8,203,781 | \$ 31,613,195 |
| Investments | 19,407,078 | - | 4,161,327 | 23,568,405 |
| Taxes receivable, net | 1,236,452 | - | - | 1,236,452 |
| Lease receivable | 350,573 | - | - | 350,573 |
| Due from other governments | 110,275 | - | 4,681,998 | 4,792,273 |
| Due from other funds | 1,805,388 | - | 1,355,922 | 3,161,310 |
| Inventories | 1,615 | - | - | 1,615 |
| Prepaid expenditures | 240,905 | 1,927,800 | - | 2,168,705 |
| Assets held for resale | - | - | 155,364 | 155,364 |
| Total assets | \$ 35,494,701 | \$ 12,994,799 | \$ 18,558,392 | \$ 67,047,892 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 611,804 | \$ 6,975 | \$ 115,109 | \$ 733,888 |
| Accrued liabilities | 618,562 | - | - | 618,562 |
| Unearned revenues | - | - | 6,127,194 | 6,127,194 |
| Due to other funds | 17,746,554 | - | 2,843,390 | 20,589,944 |
| Due to component units | 122,897 | - | 5,509 | 128,406 |
| Total liabilities | 19,099,817 | 6,975 | 9,091,202 | 28,197,994 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Lease receipts | 350,573 | - | - | 350,573 |
| Unavailable revenue - property taxes | 243,648 | - | - | 243,648 |
| Total deferred inflows of resources | 594,221 | - | - | 594,221 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Inventories | 1,615 | - | - | 1,615 |
| Prepaid expenditures | 240,905 | 1,927,800 | - | 2,168,705 |
| Permanent fund principal | - | - | 3,505,631 | 3,505,631 |
| Restricted for: | | | | |
| Assets held for resale | - | - | 155,364 | 155,364 |
| Law enforcement | - | - | 353,474 | 353,474 |
| Cemetery maintenance | - | - | 1,872,780 | 1,872,780 |
| Capital projects | - | 11,060,024 | 3,963,294 | 15,023,318 |
| Unassigned | 15,558,143 | - | (383,353) | 15,174,790 |
| Total fund balances | 15,800,663 | 12,987,824 | 9,467,190 | 38,255,677 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 35,494,701 | \$ 12,994,799 | \$ 18,558,392 | |

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. | 54,055,164 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. | 6,370,842 |
| 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. | 7,314,385 |
| 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. | 6,829,906 |
| 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. | (8,086,420) |
| Certain liabilities are not due and payable in the current period and are, therefore, not reported in the funds. | (16,086,895) |
| Net position of governmental activities | \$ 88,652,659 |

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, 2022**

| | <u>General</u> | <u>2016 SPLOST</u> | <u>Nonmajor Governmental Funds</u> | <u>Totals Governmental Funds</u> |
|---|----------------------|------------------------|--|--|
| REVENUES | | | | |
| Property taxes | \$ 5,287,173 | \$ - | \$ - | \$ 5,287,173 |
| Other taxes | 8,431,961 | - | 695,264 | 9,127,225 |
| Charges for services | 6,953,689 | - | 78,083 | 7,031,772 |
| Licenses and permits | 678,833 | - | - | 678,833 |
| Intergovernmental | 884,453 | 4,395,326 | 4,328,019 | 9,607,798 |
| Franchise taxes | 524,041 | - | - | 524,041 |
| Fines and forfeitures | 856,459 | - | 97,523 | 953,982 |
| Interest revenue | 21,557 | - | 123,660 | 145,217 |
| Rental income | 234,478 | - | - | 234,478 |
| Contributions and donations | 1,279 | - | - | 1,279 |
| Other revenues | 309,366 | - | 70,222 | 379,588 |
| Total revenues | <u>24,183,289</u> | <u>4,395,326</u> | <u>5,392,771</u> | <u>33,971,386</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 5,943,314 | - | 458,350 | 6,401,664 |
| Judicial | 344,899 | - | 6,939 | 351,838 |
| Public safety | 17,745,264 | - | 635,114 | 18,380,378 |
| Public works | 4,553,421 | - | 1,640,938 | 6,194,359 |
| Health and welfare | - | - | 15,691 | 15,691 |
| Parks and recreation | 324,697 | - | 14,160 | 338,857 |
| Housing and economic development | 1,730,455 | - | 1,176,245 | 2,906,700 |
| Capital outlay | - | 1,687,611 | 374,035 | 2,061,646 |
| Debt service: | | | | |
| Principal | 166,534 | 1,820,000 | 18,810 | 2,005,344 |
| Interest | 19,579 | 113,099 | 31,445 | 164,123 |
| Total expenditures | <u>30,828,163</u> | <u>3,620,710</u> | <u>4,371,727</u> | <u>38,820,600</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(6,644,874)</u> | <u>774,616</u> | <u>1,021,044</u> | <u>(4,849,214)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 9,522,280 | 842,644 | 58,853 | 10,423,777 |
| Transfers out | <u>(2,052,065)</u> | - | <u>(72,280)</u> | <u>(2,124,345)</u> |
| Total other financing sources (uses) | <u>7,470,215</u> | <u>842,644</u> | <u>(13,427)</u> | <u>8,299,432</u> |
| Net change in fund balances | 825,341 | 1,617,260 | 1,007,617 | 3,450,218 |
| Fund balances, beginning of year | <u>14,975,322</u> | <u>11,370,564</u> | <u>8,459,573</u> | <u>34,805,459</u> |
| Fund balances, end of year | <u>\$ 15,800,663</u> | <u>\$ 12,987,824</u> | <u>\$ 9,467,190</u> | <u>\$ 38,255,677</u> |

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, 2022**

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

| | |
|---|----------------------|
| Net change in fund balances - total governmental funds. | \$ 3,450,218 |
| 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 outlay exceeded depreciation in the current period. | 3,042,770 |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | 6,111,086 |
| 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. | 469,921 |
| 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. | 2,307,527 |
| 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>1,326,408</u> |
| | <u>\$ 16,707,930</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, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|------------------------------|-------------------|-------------------|-------------------|----------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 4,905,500 | \$ 4,985,765 | \$ 5,287,173 | \$ 301,408 |
| Other taxes | 7,841,000 | 7,841,000 | 8,431,961 | 590,961 |
| Charges for services | 6,856,225 | 6,872,524 | 6,953,689 | 81,165 |
| Licenses and permits | 619,400 | 653,980 | 678,833 | 24,853 |
| Intergovernmental | 540,864 | 543,884 | 884,453 | 340,569 |
| Franchise fees | 513,000 | 513,000 | 524,041 | 11,041 |
| Fines and forfeitures | 930,000 | 930,000 | 856,459 | (73,541) |
| Interest revenue | - | - | 21,557 | 21,557 |
| Rental income | 190,480 | 197,480 | 234,478 | 36,998 |
| Contributions and donations | - | - | 1,279 | 1,279 |
| Other revenues | 144,474 | 235,274 | 309,366 | 74,092 |
| Total revenues | <u>22,540,943</u> | <u>22,772,907</u> | <u>24,183,289</u> | <u>1,410,382</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government: | | | | |
| Legislative | 487,359 | 425,416 | 409,156 | 16,260 |
| Executive | 406,434 | 396,600 | 356,654 | 39,946 |
| Elections | 10,900 | 10,900 | - | 10,900 |
| Administrative services | 5,403,009 | 5,060,492 | 4,293,315 | 767,177 |
| Central services | 895,575 | 1,056,286 | 750,517 | 305,769 |
| Legal | 124,000 | 136,000 | 133,672 | 2,328 |
| Total general government | <u>7,327,277</u> | <u>7,085,694</u> | <u>5,943,314</u> | <u>1,142,380</u> |
| Judicial | <u>362,354</u> | <u>360,365</u> | <u>344,899</u> | <u>15,466</u> |
| Public safety: | | | | |
| Police | 11,008,658 | 11,767,684 | 11,509,536 | 258,148 |
| Fire | 5,824,424 | 5,824,377 | 5,830,925 | (6,548) |
| Code enforcement | 294,503 | 272,446 | 238,601 | 33,845 |
| Other protection | 172,348 | 165,362 | 166,202 | (840) |
| Total public safety | <u>17,299,933</u> | <u>18,029,869</u> | <u>17,745,264</u> | <u>284,605</u> |
| Public works: | | | | |
| Highways and streets | 4,133,861 | 4,150,527 | 3,905,649 | 244,878 |
| Cemetery | 680,614 | 693,259 | 647,772 | 45,487 |
| Total public works | <u>4,814,475</u> | <u>4,843,786</u> | <u>4,553,421</u> | <u>290,365</u> |
| Parks and recreation: | | | | |
| Recreation | 5,570 | 5,570 | 4,224 | 1,346 |
| Parks | 383,637 | 383,637 | 320,473 | 63,164 |
| Total parks and recreation | <u>389,207</u> | <u>389,207</u> | <u>324,697</u> | <u>64,510</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, 2022**

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---|----------------------|----------------------|----------------------|----------------------------------|
| | Original | Final | | |
| EXPENDITURES (CONTINUED) | | | | |
| Current (Continued) | | | | |
| Housing and economic development: | | | | |
| Protective inspection | \$ 1,004,464 | \$ 1,049,327 | \$ 942,694 | \$ 106,633 |
| Griffin-Spalding County Airport Authority | 528,198 | 528,198 | 528,197 | 1 |
| Downtown development | 180,627 | 199,977 | 120,135 | 79,842 |
| Main Street | 105,218 | 105,217 | 105,217 | - |
| City Hall | 66,110 | 66,630 | 34,212 | 32,418 |
| Total housing and economic development | <u>1,884,617</u> | <u>1,949,349</u> | <u>1,730,455</u> | <u>218,894</u> |
| Debt service | <u>180,250</u> | <u>180,250</u> | <u>186,113</u> | <u>(5,863)</u> |
| Total expenditures | <u>32,258,113</u> | <u>32,838,520</u> | <u>30,828,163</u> | <u>2,010,357</u> |
| Deficiency of revenues under expenditures | <u>(9,717,170)</u> | <u>(10,065,613)</u> | <u>(6,644,874)</u> | <u>3,420,739</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 10,618,389 | 10,623,169 | 9,522,280 | (1,100,889) |
| Transfers out | (1,459,421) | (1,414,889) | (2,052,065) | (637,176) |
| Total other financing sources, net | <u>9,158,968</u> | <u>9,208,280</u> | <u>7,470,215</u> | <u>(1,738,065)</u> |
| Net change in fund balances | (558,202) | (857,333) | 825,341 | 1,682,674 |
| Fund balances, beginning of year | <u>14,975,322</u> | <u>14,975,322</u> | <u>14,975,322</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ 14,417,120</u> | <u>\$ 14,117,989</u> | <u>\$ 15,800,663</u> | <u>\$ 1,682,674</u> |

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022**

| | Water/ Wastewater Utility Fund | Electric Utility Fund | Solid Waste Fund | Nonmajor Enterprise Funds |
|--|---|--------------------------------------|-----------------------------|--|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ 4,099,014 | \$ 3,262,380 | \$ 829,930 | \$ 1,793,945 |
| Investments | - | 34,917,714 | - | - |
| Restricted assets, cash | 3,410,912 | 1,410,773 | 399,881 | 97,009 |
| Accounts receivable, net of allowances | 61,266 | 12,794,238 | 1,284 | 168,750 |
| Due from other governments | 1,258,751 | - | - | - |
| Due from component units | 9,919 | 274,167 | - | 55,811 |
| Due from other funds | 26,139,462 | 1,594,695 | 287,822 | 3,441,757 |
| Inventories | 560,153 | 2,124,630 | - | 30,677 |
| Prepaid expenses | 387,966 | 35,083 | 44,702 | 27,812 |
| Total current assets | <u>35,927,443</u> | <u>56,413,680</u> | <u>1,563,619</u> | <u>5,615,761</u> |
| NON-CURRENT ASSETS | | | | |
| Investments | - | 6,393,913 | - | - |
| Restricted assets, investments | 1,167,746 | 2,919,812 | 280,540 | - |
| Net other post-employment benefits asset | 1,004,372 | 814,917 | 764,309 | - |
| Capital assets: | | | | |
| Nondepreciable | 22,882,714 | 507,797 | - | 4,701,228 |
| Depreciable, net of accumulated depreciation | 103,837,869 | 30,576,090 | 3,530,970 | 6,776,305 |
| Total non-current assets | <u>128,892,701</u> | <u>41,212,529</u> | <u>4,575,819</u> | <u>11,477,533</u> |
| Total assets | <u>164,820,144</u> | <u>97,626,209</u> | <u>6,139,438</u> | <u>17,093,294</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension | 1,904,026 | 1,913,667 | 823,181 | 559,808 |
| Other post-employment benefits | 78,693 | 63,849 | 59,884 | - |
| Deferred charges on refundings | 621,900 | - | - | - |
| Total deferred outflows of resources | <u>2,604,619</u> | <u>1,977,516</u> | <u>883,065</u> | <u>559,808</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | 3,882,643 | 4,171,094 | 393,283 | 215,172 |
| Accrued liabilities | 123,240 | 524,220 | 86,619 | 36,625 |
| Unearned revenue | - | 22,208 | - | - |
| Current portion - compensated absences | 152,490 | 112,611 | 50,627 | 33,600 |
| Current portion - notes payable | 1,652,855 | - | - | 22,299 |
| Current portion - capital leases payable | - | - | 442,151 | 88,443 |
| Current portion - landfill closure/post-closure care costs | - | - | 43,940 | - |
| Customer deposits payable | 50,679 | 3,833,886 | - | - |
| Due to other funds | 201,981 | 11,233,300 | 1,285,916 | 504,287 |
| Payable from restricted assets: | | | | |
| Revenue bonds payable, current portion | 3,125,000 | - | - | - |
| Total current liabilities | <u>9,188,888</u> | <u>19,897,319</u> | <u>2,302,536</u> | <u>900,426</u> |
| NON-CURRENT LIABILITIES | | | | |
| Compensated absences, net of current portion | 26,910 | 19,873 | 8,934 | 5,928 |
| Revenue bonds payable, net of current portion | 35,750,810 | - | - | - |
| Capital leases payable, net of current portion | - | - | 1,284,551 | 107,145 |
| Notes payable, net of current portion | 50,752,370 | - | - | 2,954,719 |
| Net pension liability | 3,761,364 | 3,780,410 | 1,626,176 | 1,105,890 |
| Landfill closure/post-closure care costs | - | - | 7,360,136 | - |
| Total non-current liabilities | <u>90,291,454</u> | <u>3,800,283</u> | <u>10,279,797</u> | <u>4,173,682</u> |
| Total liabilities | <u>99,480,342</u> | <u>23,697,602</u> | <u>12,582,333</u> | <u>5,074,108</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension | 1,492,380 | 1,499,935 | 645,212 | 438,778 |
| Other post-employment benefits | 667,038 | 541,214 | 507,604 | - |
| Total deferred inflows of resources | <u>2,159,418</u> | <u>2,041,149</u> | <u>1,152,816</u> | <u>438,778</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 36,061,448 | 31,083,887 | 1,804,268 | 8,304,927 |
| Restricted for debt service | 1,684,950 | - | - | - |
| Restricted for capital outlay | 738,469 | - | - | - |
| Unrestricted | 27,300,136 | 42,781,087 | (8,516,914) | 3,835,289 |
| Total net position | <u>\$ 65,785,003</u> | <u>\$ 73,864,974</u> | <u>\$ (6,712,646)</u> | <u>\$ 12,140,216</u> |

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 | Internal Service Funds Total |
|-----------------------|---------------------------------------|
| \$ 9,985,269 | \$ 1,703,299 |
| 34,917,714 | - |
| 5,318,575 | - |
| 13,025,538 | - |
| 1,258,751 | - |
| 339,897 | 6,518 |
| 31,463,736 | 561,932 |
| 2,715,460 | 214,654 |
| 495,563 | 6,530 |
| <u>99,520,503</u> | <u>2,492,933</u> |
| 6,393,913 | - |
| 4,368,098 | - |
| 2,583,598 | - |
| - | - |
| 28,091,739 | - |
| 144,721,234 | 267,012 |
| <u>186,158,582</u> | <u>267,012</u> |
| <u>285,679,085</u> | <u>2,759,945</u> |
| 5,200,682 | - |
| 202,426 | - |
| 621,900 | - |
| <u>6,025,008</u> | <u>-</u> |
| 8,662,192 | 63,259 |
| 770,704 | 329,412 |
| 22,208 | - |
| 349,328 | 12,079 |
| 1,675,154 | - |
| 530,594 | - |
| 43,940 | - |
| 3,884,565 | - |
| 13,225,484 | 1,371,550 |
| - | - |
| 3,125,000 | - |
| <u>32,289,169</u> | <u>1,776,300</u> |
| 61,645 | 4,072 |
| 35,750,810 | - |
| 1,391,696 | - |
| 53,707,089 | - |
| 10,273,840 | - |
| 7,360,136 | - |
| <u>108,545,216</u> | <u>4,072</u> |
| <u>140,834,385</u> | <u>1,780,372</u> |
| 4,076,305 | - |
| 1,715,856 | - |
| <u>5,792,161</u> | <u>-</u> |
| 77,254,530 | 267,012 |
| 1,684,950 | - |
| 738,469 | - |
| 65,399,598 | 712,561 |
| 145,077,547 | \$ 979,573 |
| (5,850,333) | |
| <u>\$ 139,227,214</u> | |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Water/ Wastewater Utility Fund | Electric Utility Fund | Solid Waste Fund | Nonmajor Enterprise Funds |
|--|---|--------------------------------------|-----------------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 24,158,921 | \$ 51,489,748 | \$ 8,806,530 | \$ 4,065,223 |
| Tap and capacity recovery fees | 1,461,984 | - | - | - |
| Other services | 130,425 | 3,352,165 | 468,851 | 628 |
| Total operating revenues | <u>25,751,330</u> | <u>54,841,913</u> | <u>9,275,381</u> | <u>4,065,851</u> |
| OPERATING EXPENSES | | | | |
| Personal services | 4,346,601 | 4,491,199 | 1,926,457 | 1,637,325 |
| Purchased or contracted services | 5,274,443 | 3,070,457 | 5,989,256 | 704,988 |
| Purchased power | - | 36,731,366 | - | - |
| Supplies | 1,329,604 | 171,047 | 122,619 | 402,772 |
| Miscellaneous | 517,664 | 383,468 | 806,738 | 315,576 |
| Depreciation | 4,582,298 | 1,269,227 | 751,289 | 726,198 |
| Total operating expenses | <u>16,050,610</u> | <u>46,116,764</u> | <u>9,596,359</u> | <u>3,786,859</u> |
| Operating income (loss) | <u>9,700,720</u> | <u>8,725,149</u> | <u>(320,978)</u> | <u>278,992</u> |
| NON-OPERATING INCOME (EXPENSES) | | | | |
| Interest income | - | - | - | 56,506 |
| Interest expense | (1,991,295) | (2,074,821) | (52,548) | (34,898) |
| Gain on sale of capital assets | - | - | 221,595 | 4,325 |
| Total non-operating income (expenses) | <u>(1,991,295)</u> | <u>(2,074,821)</u> | <u>169,047</u> | <u>25,933</u> |
| Income (loss) before capital contributions and transfers | <u>7,709,425</u> | <u>6,650,328</u> | <u>(151,931)</u> | <u>304,925</u> |
| CAPITAL CONTRIBUTIONS | <u>462,797</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TRANSFERS | | | | |
| Transfers out | (1,708,853) | (7,800,000) | - | - |
| Transfers in | - | - | - | 549,883 |
| Total transfers | <u>(1,708,853)</u> | <u>(7,800,000)</u> | <u>-</u> | <u>549,883</u> |
| Change in net position | 6,463,369 | (1,149,672) | (151,931) | 854,808 |
| Net position, beginning of year | <u>59,321,634</u> | <u>75,014,646</u> | <u>(6,560,715)</u> | <u>11,285,408</u> |
| Net position, end of year | <u>\$ 65,785,003</u> | <u>\$ 73,864,974</u> | <u>\$ (6,712,646)</u> | <u>\$ 12,140,216</u> |

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>Internal Service Funds Total</u> |
|---------------------|---|
| \$ 88,520,422 | \$ 1,123,146 |
| 1,461,984 | - |
| 3,952,069 | 4,414 |
| <u>93,934,475</u> | <u>1,127,560</u> |
| 12,401,582 | 593,421 |
| 15,039,144 | 275,852 |
| 36,731,366 | - |
| 2,026,042 | 756,394 |
| 2,023,446 | 12,144 |
| 7,329,012 | 49,919 |
| <u>75,550,592</u> | <u>1,687,730</u> |
| <u>18,383,883</u> | <u>(560,170)</u> |
| 56,506 | - |
| (4,153,562) | - |
| 225,920 | - |
| <u>(3,871,136)</u> | <u>-</u> |
| <u>14,512,747</u> | <u>(560,170)</u> |
| <u>462,797</u> | <u>-</u> |
| (9,508,853) | - |
| 549,883 | 659,538 |
| <u>(8,958,970)</u> | <u>659,538</u> |
| 6,016,574 | 99,368 |
| | <u>880,205</u> |
| | <u>\$ 979,573</u> |
| (370,553) | |
| <u>\$ 5,646,021</u> | |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Water/ Wastewater Utility Fund | Electric Utility Fund | Solid Waste Fund | Nonmajor Enterprise Funds |
|---|---|--------------------------------------|-----------------------------|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers and users | \$ 21,718,800 | \$ 55,049,078 | \$ 8,388,177 | \$ 3,788,511 |
| Receipts from interfund services provided | - | - | - | - |
| Payments to suppliers | (5,132,555) | (39,991,436) | (5,802,004) | (1,492,781) |
| Payments to employees | (5,013,854) | (4,522,723) | (2,146,714) | (1,837,069) |
| Net cash provided by (used in) operating activities | <u>11,572,391</u> | <u>10,534,919</u> | <u>439,459</u> | <u>458,661</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfers out | (1,708,853) | (7,800,000) | - | - |
| Transfers in | - | - | - | 549,883 |
| Net cash provided by (used in) noncapital financing activities | <u>(1,708,853)</u> | <u>(7,800,000)</u> | <u>-</u> | <u>549,883</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition and construction of capital assets | (13,945,968) | (1,347,003) | (2,084,177) | (2,307,937) |
| Capital asset disposals | - | - | - | - |
| Intergovernmental grant | 462,797 | - | - | - |
| Proceeds from financed purchases | - | - | 1,894,158 | - |
| Proceeds from the disposal of capital assets | 21,855 | - | 844,012 | 4,325 |
| Proceeds from notes payable | 12,283,901 | - | - | 1,550,723 |
| Principal paid on bonds | (3,000,000) | - | - | - |
| Principal paid on notes payable and financed purchases | (2,096,542) | - | (1,037,635) | (388,397) |
| Interest paid | (2,055,371) | - | (52,548) | (34,917) |
| Net cash used in capital and related financing activities | <u>(8,329,328)</u> | <u>(1,347,003)</u> | <u>(436,190)</u> | <u>(1,176,203)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of investments | - | (3,430,835) | (182,905) | - |
| Proceeds from the sale of investments | 428,633 | - | - | - |
| Interest and dividends received | - | 1,069,478 | 8,332 | 56,506 |
| Net cash provided by (used in) investing activities | <u>428,633</u> | <u>(2,361,357)</u> | <u>(174,573)</u> | <u>56,506</u> |
| Increase (decrease) in cash and cash equivalents | 1,962,843 | (973,441) | (171,304) | (111,153) |
| Cash and cash equivalents: | | | | |
| Beginning of year | <u>5,547,083</u> | <u>5,646,594</u> | <u>1,401,115</u> | <u>2,002,107</u> |
| End of year | <u>\$ 7,509,926</u> | <u>\$ 4,673,153</u> | <u>\$ 1,229,811</u> | <u>\$ 1,890,954</u> |
| Classified as: | | | | |
| Cash and cash equivalents | \$ 4,099,014 | \$ 3,262,380 | \$ 829,930 | \$ 1,793,945 |
| Restricted assets, cash | 3,410,912 | 1,410,773 | 399,881 | 97,009 |
| | <u>\$ 7,509,926</u> | <u>\$ 4,673,153</u> | <u>\$ 1,229,811</u> | <u>\$ 1,890,954</u> |

(Continued)

| <u>Totals</u> | <u>Internal Service Funds Total</u> |
|----------------------|---|
| \$ 88,944,566 | \$ - |
| - | 1,209,014 |
| (52,418,776) | (1,031,210) |
| <u>(13,520,360)</u> | <u>(591,843)</u> |
| <u>23,005,430</u> | <u>(414,039)</u> |
| | |
| (9,508,853) | - |
| <u>549,883</u> | <u>659,538</u> |
| | |
| <u>(8,958,970)</u> | <u>659,538</u> |
| | |
| (19,685,085) | - |
| - | - |
| 462,797 | - |
| 1,894,158 | - |
| 870,192 | - |
| 13,834,624 | - |
| (3,000,000) | - |
| (3,522,574) | - |
| <u>(2,142,836)</u> | <u>-</u> |
| | |
| <u>(11,288,724)</u> | <u>-</u> |
| | |
| (3,613,740) | - |
| 428,633 | - |
| 1,134,316 | - |
| <u>(2,050,791)</u> | <u>-</u> |
| | |
| 706,945 | 245,499 |
| | |
| <u>14,596,899</u> | <u>1,457,801</u> |
| | |
| <u>\$ 15,303,844</u> | <u>\$ 1,703,300</u> |
| | |
| \$ 9,985,269 | \$ 1,703,299 |
| 5,318,575 | - |
| <u>\$ 15,303,844</u> | <u>\$ 1,703,299</u> |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | 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) | \$ 9,700,720 | \$ 8,725,149 | \$ (320,978) | \$ 278,992 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation | 4,582,298 | 1,269,227 | 751,289 | 726,198 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in accounts receivable | 7,602 | (1,100,435) | 336 | 24,942 |
| (Increase) decrease in due from other governments | (424,252) | - | - | 5,100 |
| (Increase) decrease in inventories | (24,728) | (591,702) | - | 1,862 |
| (Increase) decrease in due from other funds | (3,693,121) | 322,224 | (114,174) | (312,601) |
| (Increase) decrease in due from component units | (297) | (1,961) | - | - |
| Increase in prepaids and other assets | (44,344) | (2,937) | (5,058) | (4,655) |
| (Increase) decrease in deferred outflows of resources - pension and OPEB | 39,531 | (236,754) | (51,435) | (38,221) |
| Increase in accounts payable | 2,098,306 | 896,048 | 51,153 | 153,157 |
| Increase (decrease) in accrued liabilities | (62,761) | 79,963 | 27,438 | 8,534 |
| Increase in customer deposits | - | 192,680 | - | - |
| Decrease in net pension liability | (1,822,783) | (1,025,019) | (617,282) | (239,016) |
| Increase in net OPEB asset | (596,696) | (458,578) | (395,977) | - |
| Increase in landfill closure/post-closure care costs | - | - | 1,049,147 | - |
| Increase (decrease) in due to other funds | 77,538 | 794,657 | (773,366) | (507,699) |
| Increase in deferred inflows of resources - pension and OPEB | 1,735,378 | 1,672,357 | 838,366 | 362,068 |
| Net cash provided by (used in) operating activities | <u>\$ 11,572,391</u> | <u>\$ 10,534,919</u> | <u>\$ 439,459</u> | <u>\$ 458,661</u> |
| Noncash investing, capital and financing activities: | | | | |
| Unrealized loss on investments | \$ - | \$ (3,144,299) | \$ (8,332) | \$ - |
| Net noncash investing, capital, and financing activities | <u>\$ -</u> | <u>\$ (3,144,299)</u> | <u>\$ (8,332)</u> | <u>\$ -</u> |

(Concluded)

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

| <u>Totals</u> | <u>Internal Service Funds Total</u> |
|-----------------------|---|
| \$ 18,383,883 | (560,170) |
| 7,329,012 | 49,919 |
| (1,067,555) | 46 |
| (419,152) | - |
| (614,568) | 8,274 |
| (3,797,672) | (46,838) |
| (2,258) | 47,188 |
| (56,994) | (245) |
| (286,879) | - |
| 3,198,664 | 5,151 |
| 53,174 | 45,582 |
| 192,680 | - |
| (3,704,100) | - |
| (1,451,251) | - |
| 1,049,147 | - |
| (408,870) | 37,054 |
| 4,608,169 | - |
| <u>\$ 23,005,430</u> | <u>\$ (414,039)</u> |
| | |
| \$ (3,152,631) | \$ - |
| <u>\$ (3,152,631)</u> | <u>\$ -</u> |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2022**

| ASSETS | Custodial Fund |
|---|---------------------------|
| Cash | \$ 169,951 |
| Total assets | <u>169,951</u> |
| LIABILITIES | |
| Due to others | 25,413 |
| Total liabilities | <u>25,413</u> |
| NET POSITION | |
| Restricted for individuals, organizations, and other governments | <u>\$ 144,538</u> |

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | <u>Custodial Fund</u> |
|-------------------------------------|---------------------------|
| ADDITIONS | |
| Fines and fees collected | \$ 309,171 |
| Total additions | <u>309,171</u> |
| DEDUCTIONS | |
| Fines and fees disbursed | 300,941 |
| Total deductions | <u>300,941</u> |
| Change in net position | 8,230 |
| Net position, beginning of the year | <u>136,308</u> |
| Net position, end of the year | <u>\$ 144,538</u> |

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

NOTES TO FINANCIAL STATEMENTS

CITY OF GRIFFIN, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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*, as amended, 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, 2022, 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 THE 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 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 non-fiduciary 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 custodial 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.

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 Special Purpose Local Option Sales Tax ("SPLOST") Fund** accounts for capital projects of the City from resources provided by the 2016 special Spalding County 1% sales and use tax.

NOTES TO THE 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 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 ***Custodial 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 THE 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 THE 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 THE 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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".

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.

NOTES TO THE 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. Leases

Lessor

The City is a lessor for noncancellable leases of land and buildings. The City recognizes a lease receivable and deferred inflow of lease receipts in both the fund level and government-wide financial statements. The City recognizes lease receivables with an initial, individual value of \$5,000 or more.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessor (Continued)

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments:

- The City uses the interest rate stated in the agreement as the discount rate. When the interest rate is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the lessee is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow if certain changes occur that are expected to significantly affect the amount of the lease receivable.

M. 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 THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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.

N. 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, 2022, the City contributed \$15,098 and employees contributed \$353,556. 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.

O. 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 THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. 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 THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. 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.

Q. 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.

R. 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 assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has five 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. 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. 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. These contributions will reduce the pension and OPEB liabilities in future years.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. 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 assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has five 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. *Deferred inflows from lease receipts* are reported in the Governmental Fund Balance Sheet as well as the government-wide Statement of Net Position. 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 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.

S. 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.

T. 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, 2022, 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 THE 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 | \$ | 2,638,062 |
| Net pension liability | | 13,845,063 |
| Net OPEB asset | | (3,904,594) |
| Due to Griffin-Spalding County Airport Authority | | 2,320,000 |
| Capital leases payable | | 613,858 |
| Compensated absences | | 485,534 |
| Accrued interest | | 88,972 |
| Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | | \$ 16,086,895 |

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 | \$ | 5,536,954 |
| Depreciation expense | | (2,494,184) |
| 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> | | \$ 3,042,770 |

NOTES TO THE 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:

| | |
|--|--------------|
| Compensated absences | \$ 18,375 |
| OPEB income | 943,458 |
| Pension expense | 364,575 |
| 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> | \$ 1,326,408 |

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 | \$ 51,432 |
| Principal retirement on long-term debt | 2,256,095 |
| 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> | \$ 2,307,527 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022, are summarized as follows:

| | |
|--|------------------------------|
| Amounts as presented on the entity-wide statement of net position: | |
| Cash and cash equivalents | \$ 43,301,763 |
| Investments | 64,880,032 |
| Restricted cash and cash equivalents | 5,318,575 |
| Restricted investments | 4,368,098 |
| Amounts as presented on the fiduciary statement of net position: | |
| Cash and cash equivalents - Custodial Fund | 169,951 |
| Component Units - cash and cash equivalents | <u>1,144,794</u> |
| Total | <u><u>\$ 119,183,213</u></u> |
| | |
| Cash deposited with financial institutions | \$ 49,935,083 |
| Cash deposited with Georgia Fund 1 | 18,949,865 |
| Certificates of deposit | 240,197 |
| Investments in the Municipal Competitive Trust | 35,973,251 |
| Investments in governmental bonds | 11,826,192 |
| Investments in corporate bonds | 75,000 |
| Investments in equities and various other securities | <u>2,183,625</u> |
| Total | <u><u>\$ 119,183,213</u></u> |

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, 2022, 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 loss of \$8,332 netted with dividend income in the Solid Waste Fund and an unrealized loss of \$3,144,299 netted against dividend income and interest income in the Electric Utility Fund.

NOTES TO THE 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, 2022, 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 | | \$ 18,949,865 | \$ 18,949,865 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Certificates of Deposit | | 240,197 | 240,197 | - | - | - | - | - | - |
| Municipal Competitive Trust | | 35,973,251 | 35,973,251 | - | - | - | - | - | - |
| Equities and various other non-maturing securities | | 2,183,625 | - | - | - | - | - | - | - |
| Governmental bonds | BBB | 162,843 | 5,039 | - | 102,262 | 55,542 | - | - | - |
| Governmental bonds | BBB+ | 412,047 | 143,397 | - | 268,650 | - | - | - | - |
| Governmental bonds | A- | 136,737 | - | 131,468 | 5,269 | - | - | - | - |
| Governmental bonds | A | 795,324 | - | 428,898 | 358,811 | - | 7,615 | - | - |
| Governmental bonds | A+ | 458,151 | 61,019 | 72,790 | 230,672 | 93,670 | - | - | - |
| Governmental bonds | AA- | 2,175,822 | 121,180 | 730,717 | 951,978 | 220,885 | 151,062 | - | - |
| Governmental bonds | AA | 4,077,839 | 20,124 | 821,347 | 823,222 | 1,614,466 | 798,680 | - | - |
| Governmental bonds | AA+ | 1,724,694 | 100,079 | 802,590 | 202,039 | 619,986 | - | - | - |
| Governmental bonds | AAA | 1,882,735 | - | 312,140 | 928,472 | 538,087 | 104,036 | - | - |
| Corporate bonds | A- | 75,000 | 25,000 | - | 50,000 | - | - | - | - |
| Total | | \$ 69,248,130 | \$ 55,639,151 | \$ 3,299,950 | \$ 3,921,375 | \$ 3,142,636 | \$ 1,061,393 | \$ - | \$ - |

NOTES TO THE 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, 2022:

| <u>Investment</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Fair Value</u> |
|--|--------------------------|-------------------------|-----------------|----------------------|
| Municipal Competitive Trust | \$ 35,973,251 | \$ - | \$ - | \$ 35,973,251 |
| Municipal bonds | 6,471,940 | 5,354,252 | - | 11,826,192 |
| Corporate bonds | 75,000 | - | - | 75,000 |
| Equity securities | 2,183,625 | - | - | 2,183,625 |
| Total investments measured at fair value | <u>\$ 44,703,816</u> | <u>\$ 5,354,252</u> | <u>\$ -</u> | 50,058,068 |
| Investments not subject to level disclosure: | | | | |
| Georgia Fund 1 | | | | 18,949,865 |
| Certificates of deposit | | | | 240,197 |
| Total investments | | | | <u>\$ 69,248,130</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, 2022, 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 THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES

A. Accounts Receivable

Receivables as of June 30, 2022, including the applicable allowances for uncollectible accounts, are as follows:

| | <u>General</u> | <u>Nonmajor Governmental</u> | <u>Water/ Wastewater</u> | <u>Electric</u> |
|------------------------------------|----------------------------|----------------------------------|------------------------------|-----------------------------|
| Receivables: | | | | |
| Taxes | \$ 1,301,732 | \$ - | \$ - | \$ - |
| Accounts | - | - | 67,105 | 19,268,494 |
| Lease | 350,573 | - | - | - |
| Intergovernmental | 110,275 | 4,681,998 | 1,258,751 | - |
| Gross receivables | <u>1,762,580</u> | <u>4,681,998</u> | <u>1,325,856</u> | <u>19,268,494</u> |
| Less: allowance for uncollectibles | (65,280) | - | (5,839) | (6,474,256) |
| Net total receivables | <u><u>\$ 1,697,300</u></u> | <u><u>\$ 4,681,998</u></u> | <u><u>\$ 1,320,017</u></u> | <u><u>\$ 12,794,238</u></u> |

| | <u>Solid Waste</u> | <u>Nonmajor Enterprise</u> | <u>Total</u> |
|------------------------------------|------------------------|--------------------------------|-----------------------------|
| Receivables: | | | |
| Taxes | \$ - | \$ - | \$ 1,301,732 |
| Accounts | 1,284 | 168,750 | 19,505,633 |
| Lease | - | - | 350,573 |
| Intergovernmental | - | - | 6,051,024 |
| Gross receivables | <u>1,284</u> | <u>168,750</u> | <u>27,208,962</u> |
| Less: allowance for uncollectibles | - | - | (6,545,375) |
| Net total receivables | <u><u>\$ 1,284</u></u> | <u><u>\$ 168,750</u></u> | <u><u>\$ 20,663,587</u></u> |

B. Lessor – Lease Receivable

The City is the lessor for various land and building as noted in Note 1. The City recognized \$145,996 as lease revenue for the year ended June 30, 2022.

C. Property Taxes

Property taxes were levied on behalf of the City by Spalding County on September 24, 2021, (levy date) based upon property values assessed as of January 1, 2021. The billings were mailed on October 15, 2021, and payable on or before December 20, 2021, for the calendar year 2021. Taxes not paid within 30 days of December 20, 2021, were subject to property tax liens on January 21, 2021. 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, 2022, the allowance for uncollectible property taxes was \$65,280.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

C. Property Taxes (Continued)

The tax rate levied during calendar year 2021 for the City's operations was 7.083 mills (mill equals \$1 per thousand dollars of assessed value).

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Transfers</u> | <u>Ending Balance</u> |
|---|------------------------------|---------------------|------------------|------------------|---------------------------|
| Governmental activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 3,266,876 | \$ - | \$ - | \$ - | \$ 3,266,876 |
| Construction in progress | 27,654,276 | 4,492,519 | - | - | 32,146,795 |
| Total capital assets, not being depreciated | <u>30,921,152</u> | <u>4,492,519</u> | <u>-</u> | <u>-</u> | <u>35,413,671</u> |
| Capital assets, being depreciated: | | | | | |
| Buildings and improvements | 12,386,211 | 71,845 | - | - | 12,458,056 |
| Machinery and equipment | 30,294,762 | 972,590 | - | - | 31,267,352 |
| Infrastructure | 35,988,152 | - | - | - | 35,988,152 |
| Total capital assets, being depreciated | <u>78,669,125</u> | <u>1,044,435</u> | <u>-</u> | <u>-</u> | <u>79,713,560</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (6,027,676) | (328,316) | - | - | (6,355,992) |
| Machinery and equipment | (25,058,639) | (1,678,187) | - | - | (26,736,826) |
| Infrastructure | (27,174,638) | (537,599) | - | - | (27,712,237) |
| Total accumulated depreciation | <u>(58,260,953)</u> | <u>(2,544,102)</u> | <u>-</u> | <u>-</u> | <u>(60,805,055)</u> |
| Total capital assets, being depreciated, net | <u>20,408,172</u> | <u>(1,499,667)</u> | <u>-</u> | <u>-</u> | <u>18,908,505</u> |
| Governmental activities capital assets, net | <u>\$ 51,329,324</u> | <u>\$ 2,992,852</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 54,322,176</u> |

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets are included as part of the above totals for governmental activities. At year-end, \$267,012 of internal service fund's capital assets are included in the above amounts.

NOTES TO THE 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 | \$ 7,354,903 | \$ - | \$ - | \$ - | \$ 7,354,903 |
| Construction in progress | 5,831,264 | 16,714,235 | - | (1,808,663) | 20,736,836 |
| Total capital assets, not being depreciated | <u>13,186,167</u> | <u>16,714,235</u> | <u>-</u> | <u>(1,808,663)</u> | <u>28,091,739</u> |
| Capital assets, being depreciated: | | | | | |
| Land improvements | 2,357,740 | - | - | - | 2,357,740 |
| Buildings | 34,085,168 | - | - | 2,796,141 | 36,881,309 |
| Improvements other than buildings | 187,989,168 | - | (13,618) | (1,019,309) | 186,956,241 |
| Machinery and equipment | 37,398,524 | 2,970,850 | (689,192) | 33,372 | 39,713,554 |
| Total capital assets, being depreciated | <u>261,830,600</u> | <u>2,970,850</u> | <u>(702,810)</u> | <u>1,810,204</u> | <u>265,908,844</u> |
| Less accumulated depreciation for: | | | | | |
| Land improvements | (1,358,713) | (71,339) | - | (1,541) | (1,431,593) |
| Buildings | (21,717,057) | (710,813) | 1,955 | - | (22,425,915) |
| Improvements other than buildings | (59,597,075) | (4,769,679) | - | - | (64,366,754) |
| Machinery and equipment | (31,242,750) | (1,777,181) | 56,583 | - | (32,963,348) |
| Total accumulated depreciation | <u>(113,915,595)</u> | <u>(7,329,012)</u> | <u>58,538</u> | <u>(1,541)</u> | <u>(121,187,610)</u> |
| Total capital assets, being depreciated, net | <u>147,915,005</u> | <u>(4,358,162)</u> | <u>(644,272)</u> | <u>1,808,663</u> | <u>144,721,234</u> |
| Business-type activities capital assets, net | <u>\$ 161,101,172</u> | <u>\$ 12,356,073</u> | <u>\$ (644,272)</u> | <u>\$ -</u> | <u>\$ 172,812,973</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

| | |
|---|---------------------|
| Governmental activities: | |
| General government | \$ 694,850 |
| Public safety | 927,687 |
| Public works | 840,954 |
| Parks and recreation | 30,692 |
| Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets | 49,919 |
| Total depreciation expense - governmental activities | <u>\$ 2,544,102</u> |
| Business-type activities: | |
| Water and wastewater | \$ 4,582,298 |
| Electric | 1,269,227 |
| Solid waste | 751,289 |
| Stormwater | 577,231 |
| Telecommunications | 89,456 |
| Golf course | 59,511 |
| Total depreciation expense - business-type activities | <u>\$ 7,329,012</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Airport Authority for the year ended June 30, 2022, was as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|--|----------------------|---------------------|-------------|-------------|----------------------|
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 471,441 | \$ - | \$ - | \$ - | \$ 471,441 |
| Construction in progress | 7,815,907 | 8,982,983 | - | - | 16,798,890 |
| Total capital assets, not being depreciated | <u>8,287,348</u> | <u>8,982,983</u> | <u>-</u> | <u>-</u> | <u>17,270,331</u> |
| Capital assets, being depreciated: | | | | | |
| Land improvements | 3,760,367 | - | - | - | 3,760,367 |
| Buildings | 1,037,293 | - | - | - | 1,037,293 |
| Machinery and equipment | 793,226 | 31,005 | - | - | 824,231 |
| Total capital assets, being depreciated | <u>5,590,886</u> | <u>31,005</u> | <u>-</u> | <u>-</u> | <u>5,621,891</u> |
| Less accumulated depreciation for: | | | | | |
| Land improvements | (2,036,950) | (94,642) | - | - | (2,131,592) |
| Buildings | (530,561) | (20,896) | - | - | (551,457) |
| Machinery and equipment | (689,956) | (33,901) | - | - | (723,857) |
| Total accumulated depreciation | <u>(3,257,467)</u> | <u>(149,439)</u> | <u>-</u> | <u>-</u> | <u>(3,406,906)</u> |
| Total capital assets, being depreciated, net | <u>2,333,419</u> | <u>(118,434)</u> | <u>-</u> | <u>-</u> | <u>2,214,985</u> |
| Airport Authority capital assets, net | <u>\$ 10,620,767</u> | <u>\$ 8,864,549</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 19,485,316</u> |

NOTE 6. LONG-TERM DEBT

A. 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, 2022 are as follows:

| Description | Original Amount | Interest Rate | Due Date | Amount |
|-------------------------------|--------------------|----------------------|-------------|----------------------|
| Combined Utility, Series 2012 | \$ 57,500,000 | 2.00% - 5.00% | 2032 | \$ 37,635,000 |
| | | Less current portion | | <u>(3,125,000)</u> |
| | | | | <u>\$ 34,510,000</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

A. 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> |
|----------------------------|----------------------|----------------------|---------------------|
| 2023 | \$ 4,542,337 | \$ 3,125,000 | \$ 1,417,337 |
| 2024 | 4,542,337 | 3,250,000 | 1,292,337 |
| 2025 | 4,544,837 | 3,415,000 | 1,129,837 |
| 2026 | 4,544,087 | 3,585,000 | 959,087 |
| 2027 | 4,541,537 | 3,690,000 | 851,537 |
| 2028 – 2032 | 22,727,781 | 20,570,000 | 2,157,781 |
| | <u>\$ 45,442,916</u> | <u>\$ 37,635,000</u> | <u>\$ 7,807,916</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. 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, 2022:

| Description | Original Amount | Interest Rate | Due Date | Amount |
|----------------------|-----------------|----------------------|----------|----------------------------|
| Stormwater GEFA Loan | 487,247 | 2.31% | 2036 | \$ 362,021 |
| Stormwater GEFA Loan | 1,064,274 | 0.94% | N/A | 2,614,997 |
| | | | | <u>2,977,018</u> |
| | | Less current portion | | (22,299) |
| | | | | <u><u>\$ 2,954,719</u></u> |

The \$2,614,997 GEFA loan is in the drawdown phase as of June 30, 2022, 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 |
|---------------------|-------------------|-------------------|------------------|
| 2023 | \$ 30,427 | \$ 22,299 | \$ 8,128 |
| 2024 | 30,445 | 22,838 | 7,607 |
| 2025 | 30,445 | 23,371 | 7,074 |
| 2026 | 30,445 | 23,917 | 6,528 |
| 2027 | 30,444 | 24,475 | 5,969 |
| 2028 – 2032 | 152,224 | 131,218 | 21,006 |
| 2033 – 2035 | 119,243 | 113,903 | 5,340 |
| | <u>\$ 423,673</u> | <u>\$ 362,021</u> | <u>\$ 61,652</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

B. 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, 2022:

| Description | Amount | Interest Rate | Date | Amount |
|----------------------------|--------------|----------------------|------|----------------------|
| Water/Wastewater GEFA Loan | \$ 6,002,688 | 1.03% | 2038 | \$ 4,599,974 |
| Water/Wastewater GEFA Loan | 12,700,000 | 1.71% | 2048 | 11,473,781 |
| Water/Wastewater GEFA Loan | 14,446,662 | 0.89% | 2039 | 13,394,309 |
| Water/Wastewater GEFA Loan | 7,854,990 | 1.25% | N/A | 7,500,434 |
| Water/Wastewater GEFA Loan | 485,691 | N/A | N/A | 1,874,083 |
| Water/Wastewater GEFA Loan | 389,707 | N/A | N/A | 3,229,297 |
| Water/Wastewater GEFA Loan | 2,499,189 | N/A | N/A | 9,800,538 |
| Water/Wastewater GEFA Loan | 241,020 | N/A | N/A | 532,809 |
| | | | | <u>52,405,225</u> |
| | | Less current portion | | <u>(1,652,855)</u> |
| | | | | <u>\$ 50,752,370</u> |

The \$1,874,083 note payable, \$3,229,297 note payable, \$9,800,538 note payable, and \$532,809 note payable are in the drawdown phase as of June 30, 2022, 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 |
|---------------------|----------------------|----------------------|---------------------|
| 2023 | \$ 2,096,987 | \$ 1,652,855 | \$ 444,132 |
| 2024 | 2,097,465 | 1,675,064 | 422,401 |
| 2025 | 2,097,709 | 1,694,687 | 403,022 |
| 2026 | 2,103,522 | 1,714,556 | 388,966 |
| 2027 | 2,103,522 | 1,731,725 | 371,797 |
| 2028 – 2032 | 10,518,071 | 8,968,935 | 1,549,136 |
| 2033 – 2037 | 10,518,865 | 9,510,606 | 1,008,259 |
| 2038 – 2042 | 7,245,090 | 6,780,869 | 464,221 |
| 2043 – 2047 | 2,707,285 | 2,534,598 | 172,687 |
| 2048 | 713,273 | 704,603 | 8,670 |
| | <u>\$ 42,201,789</u> | <u>\$ 36,968,498</u> | <u>\$ 5,233,291</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

C. 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> |
|----------------------------|---------------------|---------------------|-------------------|
| 2023 | \$ 1,982,454 | \$ 1,914,744 | \$ 67,710 |
| 2024 | 54,654 | 25,734 | 28,920 |
| 2025 | 54,653 | 26,763 | 27,890 |
| 2026 | 59,316 | 32,496 | 26,820 |
| 2027 | 59,316 | 33,796 | 25,520 |
| 2028 – 2032 | 321,590 | 216,600 | 104,990 |
| 2033 – 2037 | 364,147 | 309,780 | 54,367 |
| 2038 | 81,262 | 78,149 | 3,113 |
| | <u>\$ 2,977,392</u> | <u>\$ 2,638,062</u> | <u>\$ 339,330</u> |

D. Financed Purchases

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

D. Financed Purchases (Continued)

The debt service requirements for all financed purchases are as follows:

| <u>Fiscal year ending</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------|---------------------|-------------------|---------------------|
| 2023 | \$ 638,270 | \$ 53,641 | \$ 691,911 |
| 2024 | 595,263 | 38,945 | 634,208 |
| 2025 | 574,694 | 24,694 | 599,388 |
| 2026 | 470,838 | 12,592 | 483,430 |
| 2027 | 142,809 | 5,069 | 147,878 |
| 2028 – 2030 | 114,274 | 3,902 | 118,176 |
| | <u>\$ 2,536,148</u> | <u>\$ 138,843</u> | <u>\$ 2,674,991</u> |

E. Closure/Post-closure Care Costs

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 \$878,773 over the remaining 20-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, 2022, represents the cumulative amount reported to date based on the use of approximately 45.1% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of \$3,021,450 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 THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

E. Closure/Post-closure Care Costs (Continued)

| | |
|---|----------------------------|
| Shoal Creek Road Landfill Phase 2 post-closure care costs | \$ 878,773 |
| Shoal Creek Road Landfill Phase 3 closure and post-closure care costs | <u>6,525,303</u> |
| Total closure and post-closure care costs recorded within the Solid Waste Fund | 7,404,076 |
| Less current portion | <u>(43,940)</u> |
| | <u><u>\$ 7,360,136</u></u> |

F. 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 |
|---------------------|---------------------|---------------------|-------------------|
| 2023 | \$ 678,850 | \$ 515,000 | \$ 163,850 |
| 2024 | 683,400 | 535,000 | 148,400 |
| 2025 | 682,350 | 550,000 | 132,350 |
| 2026 | 661,075 | 565,000 | 96,075 |
| 2027 | 681,075 | 585,000 | 96,075 |
| 2028 – 2030 | 2,043,200 | 1,890,000 | 153,200 |
| | <u>\$ 5,429,950</u> | <u>\$ 4,640,000</u> | <u>\$ 789,950</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

G. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022, was as follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|---|------------------------------|----------------------|------------------------|---------------------------|--------------------------------|
| Governmental activities: | | | | | |
| Bonds payable | \$ 4,477,625 | \$ - | \$ (1,839,563) | \$ 2,638,062 | \$ 1,914,744 |
| Bond premium | 51,432 | - | (51,432) | - | - |
| Net bonds payable | <u>4,529,057</u> | <u>-</u> | <u>(1,890,995)</u> | <u>2,638,062</u> | <u>1,914,744</u> |
| Intergovernmental payable | 2,570,000 | - | (250,000) | 2,320,000 | 257,500 |
| Financed purchases | 780,390 | - | (166,532) | 613,858 | 107,676 |
| Net pension liability | 18,969,172 | 7,430,157 | (12,554,266) | 13,845,063 | - |
| Compensated absences | 522,641 | 752,918 | (773,874) | 501,685 | 426,432 |
| Governmental activity Long-term liabilities | <u>\$ 27,371,260</u> | <u>\$ 8,183,075</u> | <u>\$ (15,635,667)</u> | <u>\$ 19,918,668</u> | <u>\$ 2,706,352</u> |
| Business-type activities: | | | | | |
| Revenue bonds | \$ 40,635,000 | \$ - | \$ (3,000,000) | \$ 37,635,000 | \$ 3,125,000 |
| Bond premium | 1,486,953 | - | (246,143) | 1,240,810 | - |
| Net revenue bonds | <u>42,121,953</u> | <u>-</u> | <u>(3,246,143)</u> | <u>38,875,810</u> | <u>3,125,000</u> |
| Notes payable | 43,869,299 | 13,834,624 | (2,321,680) | 55,382,243 | 1,675,154 |
| Compensated absences | 409,612 | 500,911 | (499,550) | 410,973 | 349,328 |
| Financed purchases | 1,229,026 | 1,894,158 | (1,200,894) | 1,922,290 | 530,594 |
| Net pension liability | 13,977,940 | 5,513,286 | (9,217,386) | 10,273,840 | - |
| Landfill closure/post-closure | 6,354,929 | 1,199,923 | (150,776) | 7,404,076 | 43,940 |
| Business-type activities Long-term liabilities | <u>\$ 107,962,759</u> | <u>\$ 22,942,902</u> | <u>\$ (16,636,429)</u> | <u>\$ 114,269,232</u> | <u>\$ 5,724,016</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

G. Changes in Long-Term Liabilities (Continued)

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|-------------------------------------|----------------------|------------------|---------------------|---------------------|------------------------|
| Component Units - Airport Authority | | | | | |
| Revenue bonds | \$ 5,140,000 | \$ - | \$ (500,000) | \$ 4,640,000 | \$ 515,000 |
| Bond premium | 196,651 | - | (37,476) | 159,175 | - |
| Net revenue bonds | <u>5,336,651</u> | <u>-</u> | <u>(537,476)</u> | <u>4,799,175</u> | <u>515,000</u> |
| Net pension liability | 267,529 | 84,498 | (172,510) | 179,517 | - |
| Compensated absences | <u>11,811</u> | <u>12,578</u> | <u>(11,465)</u> | <u>12,924</u> | <u>10,985</u> |
| Airport Authority | | | | | |
| Long-term liabilities | <u>\$ 5,615,991</u> | <u>\$ 97,076</u> | <u>\$ (721,451)</u> | <u>\$ 4,991,616</u> | <u>\$ 525,985</u> |

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities are included as part of the above totals for governmental activities. At year-end, \$16,151 of internal service fund's compensated absences is included in the amounts on the previous page. Also, the governmental activities, compensated absences, 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 Retirement 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 THE FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

A. Plan Description (Continued)

Plan membership. As of January 1, 2022, pension plan membership consisted of the following:

| | |
|---|-----|
| Inactive plan members or beneficiaries currently receiving benefits | 310 |
| Inactive plan members entitled to, but not receiving benefits | 111 |
| Active plan members | 401 |
| | 822 |

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 \$4,507,013 for the year ended June 30, 2022.

B. Net Pension Liability of the City

The City's net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2021.

Actuarial assumptions. The total pension liability in the January 1, 2022 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019.

NOTES TO THE 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, 2021, are summarized in the following table:

| Asset class | Target allocation | Long-term expected real rate of return* |
|-----------------------|----------------------|---|
| Domestic equity | 45% | 6.55% |
| International equity | 20% | 7.30 |
| Domestic fixed income | 20% | 0.40 |
| Real estate | 10% | 3.65 |
| Global fixed income | 5% | 0.50 |
| 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 THE FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of The City Pension Plan. The changes in the components of the net pension liability of the City for the year ended June 30, 2022, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a) - (b) |
|--|-----------------------------------|---------------------------------------|---|
| Beginning Balance | \$ 104,038,978 | \$ 71,069,728 | \$ 32,969,250 |
| Changes for the year: | - | - | |
| Service cost | 1,100,692 | - | 1,100,692 |
| Interest | 7,536,363 | - | 7,536,363 |
| Differences between expected and actual experience | 4,190,041 | - | 4,190,041 |
| Contributions – employer | - | 4,254,817 | (4,254,817) |
| Contributions – employee | - | 392,464 | (392,464) |
| Net investment income | - | 17,146,665 | (17,146,665) |
| Benefit payments, including refunds of employee contributions | (5,903,401) | (5,903,401) | - |
| Administrative expense | - | (116,505) | 116,505 |
| Net changes | 6,923,694 | 15,774,041 | (8,850,347) |
| Ending Balance | \$ 110,962,672 | \$ 86,843,769 | \$ 24,118,903 |

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 THE FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

B. Net Pension Liability of the City (Continued)

Changes in the Net Pension Liability of the Airport Authority. The changes in the components of the net pension liability of the City for the year ended June 30, 2022, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a) - (b) |
|---|-----------------------------------|---------------------------------------|---|
| Beginning Balance | \$ 774,362 | \$ 528,972 | \$ 245,390 |
| Changes for the year: | | | |
| Service cost | 8,192 | - | 8,192 |
| Interest | 56,093 | - | 56,093 |
| Differences between expected and actual experience | 31,187 | - | 31,187 |
| Assumption changes | - | - | - |
| Contributions – employer | - | 31,669 | (31,669) |
| Contributions – employee | - | 2,921 | (2,921) |
| Net investment income | - | 127,622 | (127,622) |
| Benefit payments, including refunds of employee contributions | (43,939) | (43,939) | - |
| Administrative expense | - | (867) | 867 |
| Other changes | - | - | - |
| Net changes | 51,533 | 117,406 | (65,873) |
| Ending Balance | \$ 825,895 | \$ 646,378 | \$ 179,517 |

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 of Griffin | \$ 37,380,460 | \$ 24,118,903 | \$ 13,166,112 |
| Griffin-Spalding Airport Authority | 278,223 | 179,517 | 97,995 |
| Total net pension liability | \$ 37,658,683 | \$ 24,298,420 | \$ 13,264,107 |

NOTES TO THE 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 (Continued). 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, 2021, 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, 2022, the City recognized pension expense of \$3,796,566 of which \$28,049 is for the Airport Authority. At June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | | |
|--|---------------------------------------|---|---------------|
| | City of Griffin | Griffin-Spalding Airport Authority | Total |
| Differences between expected and actual experience | \$ 6,037,648 | \$ 44,938 | \$ 6,082,586 |
| Changes in actuarial assumptions | 2,905,417 | 21,625 | 2,927,042 |
| Contributions subsequent to the measurement date | 3,266,074 | 24,310 | 3,290,384 |
| Total | \$ 12,209,139 | \$ 90,873 | \$ 12,300,012 |

| | Deferred Inflows of Resources | | |
|--|--------------------------------------|---|--------------|
| | City of Griffin | Griffin-Spalding Airport Authority | Total |
| Net difference between projected and actual earnings on pension plan investments | \$ 9,569,552 | \$ 71,226 | \$ 9,640,778 |
| Total | \$ 9,569,552 | \$ 71,226 | \$ 9,640,778 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. PENSION PLAN (CONTINUED)

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

Contributions subsequent to the measurement date of \$3,290,384, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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, | City of Government | Griffin-Spalding Airport Authority | Total |
|----------------------|-----------------------|--|--------------|
| 2023 | \$ 1,370,911 | \$ 10,204 | \$ 1,381,115 |
| 2024 | 1,671,001 | 12,437 | 1,683,438 |
| 2025 | (1,277,222) | (9,506) | (1,286,728) |
| 2026 | (2,391,178) | (17,797) | (2,408,975) |
| Total | \$ (626,488) | \$ (4,662) | \$ (631,150) |

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, 2022:

| | | |
|----------------------------------|--|------------|
| General Fund | | |
| Public safety - fire | | \$ (6,548) |
| Public safety - other protection | | (840) |
| Debt service | | (5,863) |
| Police Donations Fund | | |
| Public safety | | (1,934) |
| 2022 CDBG Fund | | |
| Public works | | (16,020) |
| Tax Allocation Districts Fund | | |
| Debt service | | (50,255) |
| FEMA Fund | | |
| Public safety | | (4,446) |

These over expenditures were funded by greater than anticipated revenues.

NOTES TO THE FINANCIAL STATEMENTS

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

B. Deficit Fund Balance and Net Position

The following funds had deficit fund balances/net position at June 30, 2022:

| | |
|------------------------|----------------|
| Solid Waste Fund | \$ (6,712,646) |
| 2021 CDBG Fund | (67,016) |
| 2022 CDBG Fund | (1,969) |
| Police Technology Fund | (5,894) |
| FEMA Fund | (308,474) |
| Welcome Center Fund | (149,533) |

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 CDBG 2021, CDBG 2022, Police Technology, FEMA, and Welcome Center Funds 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, 2022, are as follows:

| Due From | Due To | | | |
|-----------------------|--------------|--------------------------|--------------|----------------------|
| | General | Nonmajor Governmental | Electric | Water/ Wastewater |
| General Fund | \$ - | \$ 1,145,069 | \$ - | \$ 16,393,753 |
| Nonmajor Governmental | 499,624 | 119,158 | 222,252 | 1,854,735 |
| Water/Wastewater | - | - | - | - |
| Electric | - | - | - | 7,866,384 |
| Solid Waste | 1,023,389 | 91,695 | - | - |
| Internal Service Fund | 44,363 | - | 1,327,187 | - |
| Nonmajor Enterprise | 238,012 | - | 45,256 | 24,590 |
| Total | \$ 1,805,388 | \$ 1,355,922 | \$ 1,594,695 | \$ 26,139,462 |

| Due From | Solid Waste | Nonmajor Enterprise | Internal Service | Total |
|-----------------------|----------------|------------------------|---------------------|---------------|
| | General Fund | \$ - | \$ - | \$ 207,732 |
| Nonmajor Governmental | 53,466 | 43,026 | 51,129 | 2,843,390 |
| Water/Wastewater | 80,788 | 35,545 | 85,648 | 201,981 |
| Electric | - | 3,362,903 | 4,013 | 11,233,300 |
| Solid Waste | - | - | 170,832 | 1,285,916 |
| Internal Service Fund | - | - | - | 1,371,550 |
| Nonmajor Enterprise | 153,568 | 283 | 42,578 | 504,287 |
| Total | \$ 287,822 | \$ 3,441,757 | \$ 561,932 | \$ 35,186,978 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

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

Interfund transfers for the year ended June 30, 2022, consisted of the following:

| <u>Transfer From</u> | <u>Transfer To</u> | | |
|-----------------------|---------------------|----------------------------------|-----------------------------|
| | <u>General</u> | <u>Nonmajor Governmental</u> | <u>Internal Service</u> |
| General Fund | \$ - | \$ - | \$ 659,538 |
| Nonmajor Governmental | 72,280 | - | - |
| Water/Wastewater | 1,650,000 | 58,853 | - |
| Electric | 7,800,000 | - | - |
| Total | <u>\$ 9,522,280</u> | <u>\$ 58,853</u> | <u>\$ 659,538</u> |

| <u>Transfer From</u> | <u>Nonmajor Enterprise</u> | <u>SPLOST 2016</u> | <u>Total</u> |
|-----------------------|--------------------------------|--------------------|----------------------|
| | General Fund | \$ 549,883 | \$ 842,644 |
| Nonmajor Governmental | - | - | 72,280 |
| Water/Wastewater | - | - | 1,708,853 |
| Electric | - | - | 7,800,000 |
| Total | <u>\$ 549,883</u> | <u>\$ 842,644</u> | <u>\$ 11,633,198</u> |

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, 2022, \$128,498 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism within the City (\$72,280 to the Griffin Business and Tourism Association and \$56,218 to other Governmental Agencies).

NOTES TO THE 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, 2022, the City paid \$23,479 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

A. 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.

B. 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 THE FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

C. 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, 2022, 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 \$36,606,756,431 in 2022.

At June 30, 2022, the outstanding debt of MEAG was approximately \$8.43 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$426.88 million at June 30, 2022.

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 THE 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

A. 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, 2022, the date of the latest actuarial valuation:

| | |
|---|------------|
| Inactive plan members or beneficiaries currently receiving benefits | 115 |
| Active plan members | 59 |
| Total | <u>174</u> |

NOTES TO THE FINANCIAL STATEMENTS

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

B. 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 2022, the City contributed \$183,339 to the OPEB Plan. OPEB Plan members receiving benefits are not required to contribute to the OPEB Plan.

C. Net OPEB 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 asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2021 with the actuary using standard techniques to roll forward the liability (asset) to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Discount Rate: | 6.00% |
| Long-term expected rate of return on OPEB investments: | 6.00%, 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-2021 for healthy retirees.

NOTES TO THE FINANCIAL STATEMENTS

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

C. Net OPEB Asset of the City (Continued)

Actuarial assumptions (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, 2021 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 2.50% assumed rate of inflation.

Discount rate. The discount rate used to measure the total OPEB liability (asset) was 6.00%. 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 THE FINANCIAL STATEMENTS

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

C. Net OPEB Asset of the City (Continued)

Changes in the Net OPEB Asset of the City. The changes in the components of the net OPEB asset of the City for the year ended June 30, 2022, were as follows:

| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (Asset) (a) - (b) |
|--|--------------------------------|---------------------------------------|--|
| Beginning Balance | \$ 6,236,395 | \$ 9,101,985 | \$ (2,865,590) |
| Changes for the year: | | | |
| Service cost | 51,692 | - | 51,692 |
| Interest | 423,731 | - | 423,731 |
| Differences between expected and actual experience | (1,644,175) | - | (1,644,175) |
| Assumption changes | 487,523 | - | 487,523 |
| Net investment income | - | 2,947,844 | (2,947,844) |
| Benefit payments, net of retiree contributions | (620,000) | (620,000) | - |
| Administrative expense | - | (6,471) | 6,471 |
| Net changes | <u>(1,301,229)</u> | <u>2,321,373</u> | <u>(3,622,602)</u> |
| Ending Balance | <u>\$ 4,935,166</u> | <u>\$ 11,423,358</u> | <u>\$ (6,488,192)</u> |

The required schedule of changes in the City's net OPEB 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.

D. Sensitivity Analysis

Sensitivity of the net OPEB asset to changes in the discount rate. The following presents the net OPEB asset of the City, as well as what the City's net OPEB 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 (5.00%) | Current Discount Rate (6.00%) | 1% Increase (8.00%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| City's net OPEB asset | \$ (5,892,051) | \$ (6,488,192) | \$ (6,987,076) |

NOTES TO THE FINANCIAL STATEMENTS

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

D. Sensitivity Analysis (Continued)

Sensitivity of the net OPEB asset to changes in the healthcare cost trend rates. The following presents the net OPEB asset of the City, as well as what the City's net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (2.94%) or 1-percentage-point higher (4.94%) than the current healthcare cost trend rates:

| | 1% Decrease (2.94%) | Current Rate (3.94%) | 1% Increase (4.94%) |
|-----------------------|--------------------------------|-------------------------------------|--------------------------------|
| City's net OPEB asset | \$ (6,711,998) | \$ (6,488,192) | \$ (6,216,234) |

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, 2022, and the current sharing pattern of costs between employer and inactive employees.

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

For the year ended June 30, 2022, the City recognized OPEB income of \$1,582,277. At June 30, 2022, 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 | \$ - | \$ 1,905,208 |
| Net difference between projected and actual earnings on pension plan investments | - | 1,786,772 |
| Changes of assumptions | 325,015 | 617,049 |
| City contributions subsequent to the measurement date | 183,339 | - |
| Total | \$ 508,354 | \$ 4,309,029 |

NOTES TO THE FINANCIAL STATEMENTS

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

E. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

City contributions subsequent to the measurement date of \$183,339, are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|-----------------------|
| 2023 | \$ (1,434,635) |
| 2024 | (1,392,723) |
| 2025 | (650,928) |
| 2026 | (505,728) |
| Total | <u>\$ (3,984,014)</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,

| | 2022 | 2021 | 2020 |
|---|----------------------|----------------------|----------------------|
| Total pension liability | | | |
| Service cost | \$ 1,108,884 | \$ 1,100,383 | \$ 870,663 |
| Interest on total pension liability | 7,592,456 | 7,262,033 | 6,340,682 |
| Differences between expected and actual experience | 4,221,227 | 1,829,616 | 4,547,238 |
| Changes of assumptions | - | - | 7,317,607 |
| Benefit payments, including refunds of employee contributions | (5,947,340) | (5,493,102) | (5,267,091) |
| Other changes | - | - | - |
| Net change in total pension liability | 6,975,227 | 4,698,930 | 13,809,099 |
| Total pension liability - beginning | 104,813,340 | 100,114,410 | 86,305,311 |
| Total pension liability - ending (a) | 111,788,567 | 104,813,340 | 100,114,410 |
| Plan fiduciary net position | | | |
| Contributions - employer | 4,286,486 | 3,763,163 | 3,350,827 |
| Contributions - employee | 395,385 | 375,889 | 370,865 |
| Net investment income | 17,274,288 | 6,360,325 | 1,933,577 |
| Benefit payments, including refunds of member contributions | (5,947,340) | (5,493,102) | (5,267,091) |
| Administrative expenses | (117,372) | (112,587) | (100,036) |
| Net change in plan fiduciary net position | 15,891,447 | 4,893,688 | 288,142 |
| Plan fiduciary net position - beginning | 71,598,700 | 66,705,012 | 66,416,870 |
| Plan fiduciary net position - ending (b) | 87,490,147 | 71,598,700 | 66,705,012 |
| City's net pension liability - ending (a) - (b) | \$ 24,298,420 | \$ 33,214,640 | \$ 33,409,398 |
| Plan fiduciary net position as a percentage of the total pension liability | 78.3% | 68.3% | 66.6% |
| Covered payroll | \$ 18,712,779 | \$ 18,050,230 | \$ 20,588,760 |
| Net pension liability as a percentage of covered payroll | 129.8% | 184.0% | 162.3% |

Notes to the Schedule:

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

| 2019 | 2018 | 2017 | 2016 |
|----------------------|----------------------|----------------------|----------------------|
| \$ 673,289 | \$ 734,961 | \$ 647,032 | \$ 726,704 |
| 5,808,271 | 5,667,365 | 5,501,879 | 5,281,509 |
| 106,375 | 597,386 | 660,440 | 1,166,560 |
| - | 1,510,700 | - | - |
| (4,891,254) | (4,843,493) | (4,504,617) | (4,157,966) |
| 5,392,679 | - | - | - |
| <u>7,089,360</u> | <u>3,666,919</u> | <u>2,304,734</u> | <u>3,016,807</u> |
| | | | |
| <u>79,215,951</u> | <u>75,549,032</u> | <u>73,244,298</u> | <u>70,227,491</u> |
| <u>86,305,311</u> | <u>79,215,951</u> | <u>75,549,032</u> | <u>73,244,298</u> |
| | | | |
| 3,051,490 | 2,990,801 | 2,871,270 | 2,709,329 |
| 53,503 | - | - | - |
| 6,105,729 | 8,279,957 | 5,713,778 | 651,834 |
| (4,891,254) | (4,843,493) | (4,504,617) | (4,157,966) |
| (101,132) | (108,295) | (64,872) | (74,379) |
| <u>4,218,336</u> | <u>6,318,970</u> | <u>4,015,559</u> | <u>(871,182)</u> |
| | | | |
| <u>62,198,534</u> | <u>55,879,564</u> | <u>51,864,005</u> | <u>52,735,187</u> |
| <u>66,416,870</u> | <u>62,198,534</u> | <u>55,879,564</u> | <u>51,864,005</u> |
| | | | |
| <u>\$ 19,888,441</u> | <u>\$ 17,017,417</u> | <u>\$ 19,669,468</u> | <u>\$ 21,380,293</u> |
| | | | |
| 77.0% | 78.5% | 74.0% | 70.8% |
| | | | |
| \$ 16,576,613 | \$ 16,434,882 | \$ 16,744,923 | \$ 15,560,315 |
| | | | |
| 120.0% | 103.5% | 117.5% | 137.4% |

CITY OF GRIFFIN, GEORGIA

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

| | 2022 | 2021 | 2020 |
|--|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 4,507,013 | \$ 4,255,587 | \$ 3,579,381 |
| Contributions in relation to the actuarially determined contribution | 4,507,013 | 4,255,587 | 3,579,381 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - |
| Covered payroll | \$ 19,608,446 | \$ 18,712,779 | \$ 18,050,230 |
| Contributions as a percentage of covered payroll | 23.0% | 22.7% | 19.8% |

Notes to the Schedule:

| | |
|----------------------------------|---|
| Valuation Date | January 1, 2022 |
| 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 the 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.

| 2019 | 2018 | 2017 | 2016 |
|------------------|------------------|------------------|------------------|
| \$ 3,222,944 | \$ 3,065,676 | \$ 2,961,576 | \$ 2,841,168 |
| <u>3,222,944</u> | <u>3,065,676</u> | <u>2,961,576</u> | <u>2,841,168</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 20,588,760 | \$ 16,576,613 | \$ 16,434,882 | \$ 16,744,923 |
| 15.7% | 18.5% | 18.0% | 17.0% |

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,

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| Total OPEB liability | | | | | |
| Service cost | \$ 51,692 | \$ 49,704 | \$ 58,151 | \$ 150,141 | \$ 144,367 |
| Interest on total pension liability | 423,731 | 416,715 | 477,456 | 572,740 | 559,065 |
| Differences between expected and actual experience | (1,644,175) | (129,745) | (823,080) | (664,012) | (314,018) |
| Changes of assumptions | 487,523 | - | (364,475) | (1,304,432) | - |
| Benefit payments, including refunds of employee contributions | (620,000) | (236,455) | (252,779) | (155,929) | (181,331) |
| Net change in total pension liability | (1,301,229) | 100,219 | (904,727) | (1,401,492) | 208,083 |
| Total OPEB liability - beginning | 6,236,395 | 6,136,176 | 7,040,903 | 8,442,395 | 8,234,312 |
| Total OPEB liability - ending (a) | 4,935,166 | 6,236,395 | 6,136,176 | 7,040,903 | 8,442,395 |
| Plan fiduciary net position | | | | | |
| Contributions - employer | - | (236,455) | (252,779) | (155,929) | 181,331 |
| Net investment income | 2,947,844 | 349,086 | 494,623 | 736,114 | 969,716 |
| Benefit payments, including refunds of member contributions | (620,000) | 236,455 | 252,779 | 155,929 | (181,331) |
| Administrative expenses | (6,471) | - | - | - | - |
| Net change in plan fiduciary net position | 2,321,373 | 349,086 | 494,623 | 736,114 | 969,716 |
| Plan fiduciary net position - beginning | 9,101,985 | 8,752,899 | 8,258,276 | 7,522,162 | 6,552,446 |
| Plan fiduciary net position - ending (b) | 11,423,358 | 9,101,985 | 8,752,899 | 8,258,276 | 7,522,162 |
| City's net OPEB liability (asset) - ending (a) - (b) | \$ (6,488,192) | \$ (2,865,590) | \$ (2,616,723) | \$ (1,217,373) | \$ 920,233 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 231.5% | 145.9% | 142.6% | 117.3% | 89.1% |
| Covered payroll | \$ 6,506,395 | \$ 7,412,576 | \$ 8,471,505 | \$ 6,820,657 | \$ 7,585,296 |
| Net pension liability as a percentage of covered payroll | -99.7% | -38.7% | -30.9% | -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,

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 183,339 | \$ 193,793 | \$ 231,555 | \$ 252,777 | \$ 251,099 |
| Contributions in relation to the actuarially determined contribution | 183,339 | 193,793 | 231,555 | 252,777 | 251,099 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 5,517,911 | \$ 6,506,395 | \$ 7,412,576 | \$ 8,471,505 | \$ 6,820,657 |
| Contributions as a percentage of covered-employee payroll | 3.3% | 3.0% | 3.1% | 3.0% | 3.7% |

Notes to the Schedule:

| | |
|----------------------------------|---|
| Valuation Date | June 30, 2022 |
| 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 **2021 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

The **2022 CDBG Fund** accounts for CDBG grant revenues and expenditures relating to public works projects.

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

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

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 **ARPA Fund** accounts for grant funds awarded to the City from the U.S Department of Treasury as part of the State Local Fiscal Recovery Fund under the American Rescue Fund.

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 **TSPLOST Fund** accounts for capital projects of the City from resources provided by the 2022 special Spalding County 1% sales and use tax.

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, 2022

| | Special Revenue Funds | | | | | |
|--|-----------------------------|---------------------------|-------------------------------|------------------------------|-----------------------------|-----------------------------|
| | Hotel/ Motel Tax Fund | Multiple Grant Fund | Confiscated Assets Fund | Police Technology Fund | Court Technology Fund | Police Donations Fund |
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ 131,548 | \$ 107,583 | \$ 80 | \$ 147,308 | \$ 8,479 |
| Investments | - | - | - | - | - | - |
| Due from other governments | - | - | - | - | - | - |
| Due from other funds | 15,040 | - | 3,007 | - | - | - |
| Assets held for resale | - | - | - | - | - | - |
| Total assets | <u>\$ 15,040</u> | <u>\$ 131,548</u> | <u>\$ 110,590</u> | <u>\$ 80</u> | <u>\$ 147,308</u> | <u>\$ 8,479</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 15,040 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | 44,451 | - | 5,974 | - | - |
| Due to component unit | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - |
| Total liabilities | <u>15,040</u> | <u>44,451</u> | <u>-</u> | <u>5,974</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable: | | | | | | |
| Permanent fund principal | - | - | - | - | - | - |
| Restricted for: | | | | | | |
| Assets held for resale | - | - | - | - | - | - |
| Law enforcement | - | 87,097 | 110,590 | - | 147,308 | 8,479 |
| Cemetery maintenance (expendable) | - | - | - | - | - | - |
| Capital projects | - | - | - | - | - | - |
| Unassigned | - | - | - | (5,894) | - | - |
| Total fund balances (deficits) | <u>-</u> | <u>87,097</u> | <u>110,590</u> | <u>(5,894)</u> | <u>147,308</u> | <u>8,479</u> |
| Total liabilities and fund balances | <u>\$ 15,040</u> | <u>\$ 131,548</u> | <u>\$ 110,590</u> | <u>\$ 80</u> | <u>\$ 147,308</u> | <u>\$ 8,479</u> |

(Continued)

| Special Revenue Funds | | | | | | | |
|-----------------------|----------------------|-----------------------|------------------|---------------------------------------|---|---------------------|--|
| 2021 CDBG Fund | 2022 CDBG Fund | COPS Grant Fund | FEMA Fund | Neighborhood Stabilization Fund | Neighborhood Stabilization 3 Fund | ARPA Fund | Tax Allocation Districts Fund |
| \$ - | \$ - | \$ - | \$ - | \$ 163,494 | \$ 151,868 | \$ 1,867,592 | \$ 2,520,412 |
| - | - | - | - | - | - | - | - |
| 3,002 | 28,082 | 23,171 | 1,252 | - | - | 4,259,602 | - |
| - | - | - | 91,695 | - | - | 431,606 | 55,141 |
| - | - | - | - | - | - | - | - |
| <u>\$ 3,002</u> | <u>\$ 28,082</u> | <u>\$ 23,171</u> | <u>\$ 92,947</u> | <u>\$ 163,494</u> | <u>\$ 151,868</u> | <u>\$ 6,558,800</u> | <u>\$ 2,575,553</u> |
| | | | | | | | |
| \$ 70,018 | \$ 30,051 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 23,171 | 401,421 | 37 | - | 426,097 | - |
| - | - | - | - | - | - | 5,509 | - |
| - | - | - | - | - | - | 6,127,194 | - |
| <u>70,018</u> | <u>30,051</u> | <u>23,171</u> | <u>401,421</u> | <u>37</u> | <u>-</u> | <u>6,558,800</u> | <u>-</u> |
| | | | | | | | |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 163,457 | 151,868 | - | 2,575,553 |
| (67,016) | (1,969) | - | (308,474) | - | - | - | - |
| <u>(67,016)</u> | <u>(1,969)</u> | <u>-</u> | <u>(308,474)</u> | <u>163,457</u> | <u>151,868</u> | <u>-</u> | <u>2,575,553</u> |
| | | | | | | | |
| \$ 3,002 | \$ 28,082 | \$ 23,171 | \$ 92,947 | \$ 163,494 | \$ 151,868 | \$ 6,558,800 | \$ 2,575,553 |

CITY OF GRIFFIN, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

| ASSETS | Capital Project Fund | | Permanent Funds | | | Totals |
|--------------------------------------|----------------------|-------------|---------------------|---------------------|----------------------|----------------------|
| | TSPLOST Fund | SPLOST Fund | Cemetery Trust Fund | LWS Emergency Fund | Mausoleum Trust Fund | |
| Cash and cash equivalents | \$ 705,527 | \$ - | \$ 1,665,254 | \$ 221,108 | \$ 513,528 | \$ 8,203,781 |
| Investments | - | - | 3,049,015 | 816,221 | 296,091 | 4,161,327 |
| Due from other governments | 366,889 | - | - | - | - | 4,681,998 |
| Due from other funds | - | - | 119,158 | 640,275 | - | 1,355,922 |
| Assets held for resale | - | - | 155,364 | - | - | 155,364 |
| Total assets | <u>\$ 1,072,416</u> | <u>\$ -</u> | <u>\$ 4,988,791</u> | <u>\$ 1,677,604</u> | <u>\$ 809,619</u> | <u>\$ 18,558,392</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 115,109 |
| Due to other funds | - | - | 933 | 1,620,748 | 320,558 | 2,843,390 |
| Due to component unit | - | - | - | - | - | 5,509 |
| Unearned revenues | - | - | - | - | - | 6,127,194 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>933</u> | <u>1,620,748</u> | <u>320,558</u> | <u>9,091,202</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable: | | | | | | |
| Permanent fund principal | - | - | 3,298,334 | 56,856 | 150,441 | 3,505,631 |
| Restricted for: | | | | | | |
| Assets held for resale | - | - | 155,364 | - | - | 155,364 |
| Law enforcement | - | - | - | - | - | 353,474 |
| Cemetery maintenance (expendable) | - | - | 1,534,160 | - | 338,620 | 1,872,780 |
| Capital projects | 1,072,416 | - | - | - | - | 3,963,294 |
| Unassigned | - | - | - | - | - | (383,353) |
| Total fund balances (deficits) | <u>1,072,416</u> | <u>-</u> | <u>4,987,858</u> | <u>56,856</u> | <u>489,061</u> | <u>9,467,190</u> |
| Total liabilities and fund balances | <u>\$ 1,072,416</u> | <u>\$ -</u> | <u>\$ 4,988,791</u> | <u>\$ 1,677,604</u> | <u>\$ 809,619</u> | <u>\$ 18,558,392</u> |

(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, 2022**

| | Special Revenue Funds | | | | | |
|---|-----------------------------|---------------------------|-------------------------------|------------------------------|-----------------------------|-----------------------------|
| | Hotel/ Motel Tax Fund | Multiple Grant Fund | Confiscated Assets Fund | Police Technology Fund | Court Technology Fund | Police Donations Fund |
| Revenues | | | | | | |
| Other taxes | \$ 128,498 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Fines and forfeitures | - | - | 71,023 | - | 26,500 | - |
| Interest revenue | - | 15 | - | - | - | - |
| Other revenues | - | - | - | - | - | - |
| Total revenues | <u>128,498</u> | <u>15</u> | <u>71,023</u> | <u>-</u> | <u>26,500</u> | <u>-</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | - | - | 105,684 | - | 14,631 | 1,934 |
| Public works | - | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Housing and economic development | 56,218 | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Total expenditures | <u>56,218</u> | <u>-</u> | <u>105,684</u> | <u>-</u> | <u>14,631</u> | <u>1,934</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>72,280</u> | <u>15</u> | <u>(34,661)</u> | <u>-</u> | <u>11,869</u> | <u>(1,934)</u> |
| Other financing sources (uses) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | (72,280) | - | - | - | - | - |
| Total other financing sources (uses) | <u>(72,280)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | - | 15 | (34,661) | - | 11,869 | (1,934) |
| Fund balances (deficits), beginning of year | <u>-</u> | <u>87,082</u> | <u>145,251</u> | <u>(5,894)</u> | <u>135,439</u> | <u>10,413</u> |
| Fund balances (deficits), end of year | <u>\$ -</u> | <u>\$ 87,097</u> | <u>\$ 110,590</u> | <u>\$ (5,894)</u> | <u>\$ 147,308</u> | <u>\$ 8,479</u> |

(Continued)

| Special Revenue Funds | | | | | | | |
|-----------------------|----------------------|-----------------------|--------------|---------------------------------------|---|--------------|--|
| 2021 CDBG Fund | 2022 CDBG Fund | COPS Grant Fund | FEMA Fund | Neighborhood Stabilization Fund | Neighborhood Stabilization 3 Fund | ARPA Fund | Tax Allocation Districts Fund |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 566,766 |
| 619,361 | 50,147 | 115,289 | 1,382 | - | - | 2,392,072 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 619,361 | 50,147 | 115,289 | 1,382 | - | - | 2,392,072 | 566,766 |
| - | - | - | - | - | - | 458,350 | - |
| - | - | - | - | - | - | 6,939 | - |
| - | - | 115,289 | 4,446 | - | - | 302,914 | - |
| 707,667 | 16,020 | - | - | - | - | 473,991 | - |
| - | - | - | - | - | - | 15,691 | - |
| - | - | - | - | - | - | 14,160 | - |
| - | - | - | - | - | - | 1,120,027 | - |
| - | 73,659 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 50,255 |
| 707,667 | 89,679 | 115,289 | 4,446 | - | - | 2,392,072 | 50,255 |
| (88,306) | (39,532) | - | (3,064) | - | - | - | 516,511 |
| 21,290 | 37,563 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 21,290 | 37,563 | - | - | - | - | - | - |
| (67,016) | (1,969) | - | (3,064) | - | - | - | 516,511 |
| - | - | - | (305,410) | 163,457 | 151,868 | - | 2,059,042 |
| \$ (67,016) | \$ (1,969) | \$ - | \$ (308,474) | \$ 163,457 | \$ 151,868 | \$ - | \$ 2,575,553 |

CITY OF GRIFFIN, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Capital Project Fund | | Permanent Funds | | | Totals |
|---|----------------------|----------------|---------------------|--------------------|----------------------|---------------------|
| | TSPLOST Fund | SPLOST Fund | Cemetery Trust Fund | LWS Emergency Fund | Mausoleum Trust Fund | |
| Revenues | | | | | | |
| Other taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 695,264 |
| Charges for services | - | - | 78,083 | - | - | 78,083 |
| Intergovernmental | 1,072,416 | 77,352 | - | - | - | 4,328,019 |
| Fines and forfeitures | - | - | - | - | - | 97,523 |
| Interest revenue | - | - | 70,612 | 38,248 | 14,785 | 123,660 |
| Other revenues | - | - | 70,222 | - | - | 70,222 |
| Total revenues | 1,072,416 | 77,352 | 218,917 | 38,248 | 14,785 | 5,392,771 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | 458,350 |
| Judicial | - | - | - | - | - | 6,939 |
| Public safety | - | - | - | 90,216 | - | 635,114 |
| Public works | - | - | 405,779 | - | 37,481 | 1,640,938 |
| Health and Welfare | - | - | - | - | - | 15,691 |
| Culture and recreation | - | - | - | - | - | 14,160 |
| Housing and economic development | - | - | - | - | - | 1,176,245 |
| Capital outlay | - | 300,376 | - | - | - | 374,035 |
| Debt service | - | - | - | - | - | 50,255 |
| Total expenditures | - | 300,376 | 405,779 | 90,216 | 37,481 | 4,371,727 |
| Excess (deficiency) of revenues over (under) expenditures | 1,072,416 | (223,024) | (186,862) | (51,968) | (22,696) | 1,021,044 |
| Other financing sources (uses) | | | | | | |
| Transfers in | - | - | - | - | - | 58,853 |
| Transfers out | - | - | - | - | - | (72,280) |
| Total other financing sources (uses) | - | - | - | - | - | (13,427) |
| Net change in fund balances | 1,072,416 | (223,024) | (186,862) | (51,968) | (22,696) | 1,007,617 |
| Fund balances (deficits), beginning of year | - | 223,024 | 5,174,720 | 108,824 | 511,757 | 8,459,573 |
| Fund balances (deficits), end of year | \$ 1,072,416 | \$ - | \$ 4,987,858 | \$ 56,856 | \$ 489,061 | \$ 9,467,190 |

(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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|-----------------|-----------------|
| REVENUES | | | |
| Other taxes | \$ 128,498 | \$ 128,498 | \$ - |
| Total revenues | <u>128,498</u> | <u>128,498</u> | <u>-</u> |
| EXPENDITURES | | | |
| Housing and development | 56,218 | 56,218 | - |
| Total expenditures | <u>56,218</u> | <u>56,218</u> | <u>-</u> |
| Excess of revenues over expenditures | <u>72,280</u> | <u>72,280</u> | <u>-</u> |
| Other financing uses | | | |
| Transfers out | (72,280) | (72,280) | - |
| Total other financing uses | <u>(72,280)</u> | <u>(72,280)</u> | <u>-</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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|------------------|-----------------|
| REVENUES | | | |
| Interest revenue | \$ 16 | \$ 15 | \$ (1) |
| Total revenues | <u>16</u> | <u>15</u> | <u>(1)</u> |
| FUND BALANCES, beginning of year | <u>87,082</u> | <u>87,082</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 87,098</u> | <u>\$ 87,097</u> | <u>\$ (1)</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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|-------------------|-----------------|
| REVENUES | | | |
| Fines and forfeitures | \$ 71,023 | \$ 71,023 | \$ - |
| Total revenues | <u>71,023</u> | <u>71,023</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety | <u>105,684</u> | <u>105,684</u> | <u>-</u> |
| Total expenditures | <u>105,684</u> | <u>105,684</u> | <u>-</u> |
| Net change in fund balance | (34,661) | (34,661) | - |
| FUND BALANCES, beginning of year | <u>145,251</u> | <u>145,251</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 110,590</u> | <u>\$ 110,590</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, 2022**

| | <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 | \$ (5,894) | \$ (5,894) | \$ - |
| 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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|-------------------|-----------------|
| REVENUES | | | |
| Fines and forfeitures | \$ 26,500 | \$ 26,500 | \$ - |
| Total revenues | <u>26,500</u> | <u>26,500</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety | <u>20,850</u> | <u>14,631</u> | <u>6,219</u> |
| Total expenditures | <u>20,850</u> | <u>14,631</u> | <u>6,219</u> |
| Net change in fund balance | 5,650 | 11,869 | 6,219 |
| FUND BALANCES, beginning of year | <u>135,439</u> | <u>135,439</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 141,089</u> | <u>\$ 147,308</u> | <u>\$ 6,219</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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|-----------------|-------------------|
| EXPENDITURES | | | |
| Public safety | \$ - | \$ 1,934 | \$ (1,934) |
| Total expenditures | <u>-</u> | <u>1,934</u> | <u>(1,934)</u> |
| Net change in fund balance | - | (1,934) | (1,934) |
| FUND BALANCES, beginning of year | <u>10,413</u> | <u>10,413</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 10,413</u> | <u>\$ 8,479</u> | <u>\$ (1,934)</u> |

CITY OF GRIFFIN, GEORGIA

**2021 CDBG GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Original and Final Budgeted Amounts | Actual | Variance |
|--|--|---------------------------|--------------------|
| REVENUES | | | |
| Intergovernmental | \$ 625,011 | \$ 619,361 | \$ (5,650) |
| Total revenues | <u>625,011</u> | <u>619,361</u> | <u>(5,650)</u> |
| EXPENDITURES | | | |
| Public works | 713,317 | 707,667 | 5,650 |
| Total expenditures | <u>713,317</u> | <u>707,667</u> | <u>5,650</u> |
| Deficiency of revenues over expenditures | (88,306) | (88,306) | - |
| OTHER FINANCING SOURCES | | | |
| Transfers in | 21,290 | 21,290 | - |
| Total other financing sources | <u>21,290</u> | <u>21,290</u> | <u>-</u> |
| Net change in fund balance | <u>(67,016)</u> | <u>(67,016)</u> | <u>-</u> |
| FUND BALANCES, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES, end of year | <u><u>\$ (67,016)</u></u> | <u><u>\$ (67,016)</u></u> | <u><u>\$ -</u></u> |

CITY OF GRIFFIN, GEORGIA

**2022 CDBG GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|-------------------|------------------|
| REVENUES | | | |
| Intergovernmental | \$ 50,147 | \$ 50,147 | \$ - |
| Total revenues | <u>50,147</u> | <u>50,147</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public works | - | 16,020 | (16,020) |
| Capital outaly | 73,659 | 73,659 | - |
| Total expenditures | <u>73,659</u> | <u>89,679</u> | <u>(16,020)</u> |
| Deficiency of revenues under expenditures | (23,512) | (39,532) | (16,020) |
| Other financing sources | | | |
| Transfers in | 37,563 | 37,563 | - |
| Total other financing sources | <u>37,563</u> | <u>37,563</u> | <u>-</u> |
| Net change in fund balance | 14,051 | (1,969) | (16,020) |
| FUND BALANCES, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (Deficit), end of year | <u>\$ 14,051</u> | <u>\$ (1,969)</u> | <u>\$ 16,020</u> |

CITY OF GRIFFIN, GEORGIA

**COPS GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|--------------------|--------------------|
| REVENUES | | | |
| Grant | \$ 115,289 | \$ 115,289 | \$ - |
| Total revenues | <u>115,289</u> | <u>115,289</u> | <u>-</u> |
| Public safety | 115,289 | 115,289 | - |
| Total expenditures | <u>115,289</u> | <u>115,289</u> | <u>-</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES, end of year | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></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, 2022**

| | <u>Original and Final Budgeted Amounts</u> | <u>Actual</u> | <u>Variance</u> |
|---|--|---------------------|-------------------|
| REVENUES | | | |
| Intergovernmental | \$ - | \$ 1,382 | \$ 1,382 |
| Total revenues | <u>-</u> | <u>1,382</u> | <u>1,382</u> |
| EXPENDITURES | | | |
| Public safety | - | 4,446 | (4,446) |
| Total expenditures | <u>-</u> | <u>4,446</u> | <u>(4,446)</u> |
| Net change in fund balance | - | (3,064) | (3,064) |
| FUND BALANCES, beginning of year | <u>(305,410)</u> | <u>(305,410)</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ (305,410)</u> | <u>\$ (308,474)</u> | <u>\$ (3,064)</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, 2022**

| | <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>\$ 163,457</u> | <u>\$ 163,457</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, 2022**

| | <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>151,868</u> | <u>151,868</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 151,868</u> | <u>\$ 151,868</u> | <u>\$ -</u> |

CITY OF GRIFFIN, GEORGIA

**ARPA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Original and Final Budgeted Amounts | Actual | Variance |
|---|--|------------------|-----------------|
| REVENUES | | | |
| Intergovernmental | \$ 2,430,897 | \$ 2,392,072 | \$ (38,825) |
| Total revenues | <u>2,430,897</u> | <u>2,392,072</u> | <u>(38,825)</u> |
| EXPENDITURES | | | |
| General government | 458,350 | 458,350 | - |
| Judicial | 6,939 | 6,939 | - |
| Public safety | 302,914 | 302,914 | - |
| Public works | 512,816 | 473,991 | 38,825 |
| Health and Welfare | 15,691 | 15,691 | - |
| Culture and recreation | 14,160 | 14,160 | - |
| Housing and economic development | 1,120,027 | 1,120,027 | - |
| Total expenditures | <u>2,430,897</u> | <u>2,392,072</u> | <u>38,825</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

**TAX ALLOCATION DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Original and Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------|-------------------|
| REVENUES | | | |
| Other taxes | \$ - | \$ 566,766 | \$ 566,766 |
| Total revenues | <u>-</u> | <u>566,766</u> | <u>566,766</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Debt service | - | 50,255 | (50,255) |
| Total expenditures | <u>-</u> | <u>50,255</u> | <u>(50,255)</u> |
| Excess of revenues over expenditures | - | 516,511 | 516,511 |
| OTHER FINANCING USES | | | |
| Transfers in | - | - | - |
| Total other financing uses | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | - | 516,511 | 516,511 |
| FUND BALANCES, beginning of year | <u>2,059,042</u> | <u>2,059,042</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 2,059,042</u> | <u>\$ 2,575,553</u> | <u>\$ 516,511</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, 2022**

| 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 | 8,604,505 | 300,376 | 8,904,881 |
| Utilities/Engineering | 2,435,465 | 2,435,465 | 337,441 | - | 337,441 |
| | <u>\$ 10,874,590</u> | <u>\$ 10,874,590</u> | <u>\$ 17,001,839</u> | <u>\$ 300,376</u> | <u>\$ 17,302,215</u> |
| Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance | | | | <u>\$ 300,376</u> | |

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2016 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| Project Description | Original Estimated Cost | Revised Estimated Cost | Expenditures | | Total |
|---------------------------|-------------------------------|------------------------------|----------------------|-----------------|----------------------|
| | | | Prior Years | Current Year | |
| 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 | 4,078,556 | - | 4,078,556 |
| Substandard Abatement | 3,000,000 | 3,000,000 | 1,238,749 | 83,511 | 1,322,260 |
| Street Resurfacing | 4,948,651 | 4,948,651 | 1,669,941 | 1,389,474 | 3,059,416 |
| Intersection Improvements | 2,200,000 | 2,200,000 | 1,509,869 | 214,626 | 1,724,495 |
| 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>\$ 16,343,283</u> | 1,687,611 | <u>\$ 18,030,894</u> |

**Reconciliation to the Combining Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Funds:**

| | |
|---|---------------------|
| Debt service principal expenditures already included in amounts above. | 1,820,000 |
| Debt service interest expenditures already included in amounts above. | <u>113,099</u> |
| Total per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | <u>\$ 3,620,710</u> |

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF EXPENDITURES OF
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2022 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| Project Description | Original Estimated Cost | Revised Estimated Cost | Expenditures | | Total |
|---|-------------------------------|------------------------------|----------------|-----------------|-------------|
| | | | Prior Years | Current Year | |
| Resurfacing | \$ 22,500,000 | \$ 22,500,000 | \$ - | \$ - | \$ - |
| ARC/GDOT projects | 3,000,000 | 3,000,000 | - | - | - |
| Big Blue Bus | 400,000 | 400,000 | - | - | - |
| Resurfacing Orchard Hill | 300,000 | 300,000 | - | - | - |
| Project management | 3,000,000 | 3,000,000 | - | - | - |
| Sidewalk | 2,000,000 | 2,000,000 | - | - | - |
| Resurfacing Orchard Hill | 300,000 | 300,000 | - | - | - |
| Milling and resurfacing | 11,000,000 | 11,000,000 | - | - | - |
| College Street Intersection Improvement | 2,000,000 | 2,000,000 | - | - | - |
| Sidewalk | 1,000,000 | 1,000,000 | - | - | - |
| Taylor Street streetscape | 1,000,000 | 1,000,000 | - | - | - |
| State Alley and Bank Street parking lot | 1,500,000 | 1,500,000 | - | - | - |
| Equipment | 2,500,000 | 2,500,000 | - | - | - |
| Sidewalk | 1,500,000 | 1,500,000 | - | - | - |
| Dirt Road Improvements | 2,500,000 | 2,500,000 | - | - | - |
| Bridges and/or culverts | 3,500,000 | 3,500,000 | - | - | - |
| | <u>\$ 58,000,000</u> | <u>\$ 58,000,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance

\$ -

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, 2022**

| | Stormwater Utility Fund | Telecommunications Fund | Welcome Center Fund |
|--|--|------------------------------------|------------------------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | \$ 892,088 | \$ - | \$ - |
| Restricted assets, cash | - | - | - |
| Accounts receivable, net of allowances | 168,750 | - | - |
| Due from component units | 31,466 | - | - |
| Due from other funds | 3,125,723 | 301,200 | - |
| Inventories | - | - | - |
| Prepaid expenses | 21,673 | 751 | - |
| Total current assets | <u>4,239,700</u> | <u>301,951</u> | <u>-</u> |
| NON-CURRENT ASSETS | | | |
| Capital assets: | | | |
| Nondepreciable | 2,196,461 | 860,149 | - |
| Depreciable, net of accumulated depreciation | 5,778,891 | 844,507 | - |
| Total non-current assets | <u>7,975,352</u> | <u>1,704,656</u> | <u>-</u> |
| Total assets | <u>12,215,052</u> | <u>2,006,607</u> | <u>-</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension | <u>376,743</u> | <u>43,749</u> | <u>-</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable | 150,177 | - | 24 |
| Accrued liabilities | 20,070 | 1,836 | - |
| Current portion - compensated absences | 20,882 | 6,061 | - |
| Current portion - notes payable | 22,299 | - | - |
| Current portion - financed purchases | 88,443 | - | - |
| Due to other funds | 47,002 | 32,930 | 149,509 |
| Total current liabilities | <u>348,873</u> | <u>40,827</u> | <u>149,533</u> |
| NON-CURRENT LIABILITIES | | | |
| Compensated absences, net of current portion | 3,685 | 1,069 | - |
| Net pension liability | 744,249 | 86,425 | - |
| Notes payable, net of current portion | 2,954,719 | - | - |
| Financed purchases payable, net of current portion | 107,145 | - | - |
| Total non-current liabilities | <u>3,809,798</u> | <u>87,494</u> | <u>-</u> |
| Total liabilities | <u>4,158,671</u> | <u>128,321</u> | <u>149,533</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pension | <u>295,292</u> | <u>34,290</u> | <u>-</u> |
| NET POSITION | | | |
| Net investment in capital assets | 4,802,746 | 1,704,656 | - |
| Unrestricted | 3,335,086 | 183,089 | (149,533) |
| Total net position | <u>\$ 8,137,832</u> | <u>\$ 1,887,745</u> | <u>\$ (149,533)</u> |

| <u>Golf Course Fund</u> | <u>Totals</u> |
|---------------------------------|----------------------|
| \$ 901,857 | \$ 1,793,945 |
| 97,009 | 97,009 |
| - | 168,750 |
| 24,345 | 55,811 |
| 14,834 | 3,441,757 |
| 30,677 | 30,677 |
| 5,388 | 27,812 |
| <u>1,074,110</u> | <u>5,615,761</u> |
| | |
| 1,644,618 | 4,701,228 |
| 152,907 | 6,776,305 |
| <u>1,797,525</u> | <u>11,477,533</u> |
| <u>2,871,635</u> | <u>17,093,294</u> |
| | |
| <u>139,316</u> | <u>559,808</u> |
| | |
| 64,971 | 215,172 |
| 14,719 | 36,625 |
| 6,657 | 33,600 |
| - | 22,299 |
| - | 88,443 |
| 274,846 | 504,287 |
| <u>361,193</u> | <u>900,426</u> |
| | |
| 1,174 | 5,928 |
| 275,216 | 1,105,890 |
| - | 2,954,719 |
| - | 107,145 |
| <u>276,390</u> | <u>4,173,682</u> |
| <u>637,583</u> | <u>5,074,108</u> |
| | |
| <u>109,196</u> | <u>438,778</u> |
| | |
| 1,797,525 | 8,304,927 |
| 466,647 | 3,835,289 |
| <u>\$ 2,264,172</u> | <u>\$ 12,140,216</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, 2022**

| | Stormwater Utility Fund | Telecommunications Fund | Welcome Center Fund |
|--|--|------------------------------------|------------------------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 2,639,523 | \$ 914,821 | \$ - |
| Other services | 628 | - | - |
| Total operating revenues | <u>2,640,151</u> | <u>914,821</u> | <u>-</u> |
| OPERATING EXPENSES | | | |
| Personal services | 930,375 | 202,744 | - |
| Purchased or contracted service | 475,582 | 53,139 | - |
| Supplies | 148,903 | 187,877 | - |
| Miscellaneous | 87,597 | 11,490 | - |
| Depreciation | 577,231 | 89,456 | - |
| Total operating expenses | <u>2,219,688</u> | <u>544,706</u> | <u>-</u> |
| Operating income (loss) | <u>420,463</u> | <u>370,115</u> | <u>-</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest revenue | 56,506 | - | - |
| Interest expense | (34,898) | - | - |
| Miscellaneous | - | 4,325 | - |
| Total non-operating revenues, net | <u>21,608</u> | <u>4,325</u> | <u>-</u> |
| Income (loss) before transfers | <u>442,071</u> | <u>374,440</u> | <u>-</u> |
| TRANSFERS | | | |
| Transfers in | - | - | - |
| Total transfers | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net position | 442,071 | 374,440 | - |
| NET POSITION, beginning of year | <u>7,695,761</u> | <u>1,513,305</u> | <u>(149,533)</u> |
| NET POSITION, end of year | <u>\$ 8,137,832</u> | <u>\$ 1,887,745</u> | <u>\$ (149,533)</u> |

| Golf Course Fund | Totals |
|---------------------------------|----------------------|
| \$ 510,879 | \$ 4,065,223 |
| - | 628 |
| <u>510,879</u> | <u>4,065,851</u> |
| 504,206 | 1,637,325 |
| 176,267 | 704,988 |
| 65,992 | 402,772 |
| 216,489 | 315,576 |
| 59,511 | 726,198 |
| <u>1,022,465</u> | <u>3,786,859</u> |
| (511,586) | 278,992 |
| - | 56,506 |
| - | (34,898) |
| - | 4,325 |
| <u>-</u> | <u>25,933</u> |
| (511,586) | 304,925 |
| 549,883 | 549,883 |
| <u>549,883</u> | <u>549,883</u> |
| 38,297 | 854,808 |
| <u>2,225,875</u> | <u>11,285,408</u> |
| <u>\$ 2,264,172</u> | <u>\$ 12,140,216</u> |

CITY OF GRIFFIN, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Stormwater Utility Fund | Telecommunications Fund | Welcome Center Fund |
|---|--|------------------------------------|------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers and users | \$ 1,821,997 | \$ 1,442,735 | \$ 148 |
| Payments to suppliers | (599,183) | (893,598) | - |
| Payments to employees | (970,179) | (116,812) | (148) |
| Net cash provided by (used in) operating activities | <u>252,635</u> | <u>432,325</u> | <u>-</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in | - | - | - |
| Net cash provided by noncapital financing activities | <u>-</u> | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Acquisition and construction of capital assets | (1,839,923) | (436,650) | - |
| Proceeds from the disposal of capital assets | - | 4,325 | - |
| Proceeds from capital leases payable | 1,550,723 | - | - |
| Principal paid on notes payable and capital leases | (388,397) | - | - |
| Interest paid | (34,917) | - | - |
| Net cash used in capital and related financing activities | <u>(712,514)</u> | <u>(432,325)</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest on investments | 56,506 | - | - |
| Net cash provided by investing activities | <u>56,506</u> | <u>-</u> | <u>-</u> |
| Change in cash and cash equivalents | (403,373) | - | - |
| Cash and cash equivalents: | | | |
| Beginning of year | 1,295,461 | - | - |
| End of year | <u>\$ 892,088</u> | <u>\$ -</u> | <u>\$ -</u> |
| Classified as: | | | |
| Cash | \$ 892,088 | \$ - | \$ - |
| Restricted assets, cash | - | - | - |
| | <u>\$ 892,088</u> | <u>\$ -</u> | <u>\$ -</u> |

(Continued)

| Golf Course Fund | Totals |
|---------------------------------|---------------------|
| \$ 523,631 | \$ 3,788,511 |
| - | (1,492,781) |
| <u>(749,930)</u> | <u>(1,837,069)</u> |
| (226,299) | 458,661 |
| 549,883 | 549,883 |
| <u>549,883</u> | <u>549,883</u> |
| (31,364) | (2,307,937) |
| - | 4,325 |
| - | 1,550,723 |
| - | (388,397) |
| <u>-</u> | <u>(34,917)</u> |
| (31,364) | (1,176,203) |
| - | 56,506 |
| <u>-</u> | <u>56,506</u> |
| 292,220 | (111,153) |
| 706,646 | 2,002,107 |
| <u>\$ 998,866</u> | <u>\$ 1,890,954</u> |
| \$ 901,857 | \$ 1,793,945 |
| 97,009 | 97,009 |
| <u>\$ 998,866</u> | <u>\$ 1,890,954</u> |

CITY OF GRIFFIN, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | 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) | \$ 420,463 | \$ 370,115 | \$ - |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Depreciation | 577,231 | 89,456 | - |
| Changes in assets and liabilities | | | |
| Decrease in accounts receivable | 12,500 | - | - |
| Decrease in due from other governments | 5,100 | - | - |
| Decrease in inventory | - | - | - |
| Decrease (increase) in due from other funds | (840,825) | 527,914 | - |
| Increase in prepaids and other assets | (2,280) | (751) | - |
| Increase in deferred outflows of resources | (6,710) | - | - |
| Increase (decrease) in accounts payable | 112,342 | - | - |
| Increase (decrease) in accrued liabilities | (2,790) | 8,966 | - |
| Increase (decrease) in due to other funds | 5,071 | (640,341) | - |
| Increase (decrease) in net pension liability | (297,234) | 86,425 | - |
| Increase (decrease) in deferred inflows of resources | 269,767 | (9,459) | - |
| Net cash provided by (used in) operating activities | <u>\$ 252,635</u> | <u>\$ 432,325</u> | <u>\$ -</u> |

(Concluded)

| Golf Course Fund | Totals |
|---------------------------------|-------------------|
| \$ (511,586) | \$ 278,992 |
| 59,511 | 726,198 |
| 12,442 | 24,942 |
| - | 5,100 |
| 1,862 | 1,862 |
| 310 | (312,601) |
| (1,624) | (4,655) |
| (31,511) | (38,221) |
| 40,815 | 153,157 |
| 2,358 | 8,534 |
| 127,571 | (507,699) |
| (28,207) | (239,016) |
| 101,760 | 362,068 |
| <u>\$ (226,299)</u> | <u>\$ 458,661</u> |

CITY OF GRIFFIN, GEORGIA

INTERNAL SERVICE FUNDS

The **Motor Pool Fund** accounts for the operations and maintenance of the City's fleet.

The **Payroll Fund** accounts for the capital it takes to pay employees.

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022**

| | ASSETS | Moter Pool Fund | Payroll Fund | Total |
|--|---------------|----------------------------|-------------------------|-------------------|
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | | \$ 1,557,556 | \$ 145,743 | \$ 1,703,299 |
| Due from component units | | 4,417 | 2,101 | 6,518 |
| Due from other funds | | 386,278 | 175,654 | 561,932 |
| Inventories | | 214,654 | - | 214,654 |
| Prepaid expenses | | 6,530 | - | 6,530 |
| Total current assets | | <u>2,169,435</u> | <u>323,498</u> | <u>2,492,933</u> |
| NON-CURRENT ASSETS | | | | |
| Depreciable, net of accumulated depreciation | | 267,012 | - | 267,012 |
| Total non-current assets | | <u>267,012</u> | <u>-</u> | <u>267,012</u> |
| Total assets | | <u>2,436,447</u> | <u>323,498</u> | <u>2,759,945</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | | 63,259 | - | 63,259 |
| Accrued liabilities | | 12,265 | 317,147 | 329,412 |
| Current portion - compensated absences | | 12,079 | - | 12,079 |
| Due to other funds | | 1,365,199 | 6,351 | 1,371,550 |
| Total current liabilities | | <u>1,452,802</u> | <u>323,498</u> | <u>1,776,300</u> |
| NON-CURRENT LIABILITIES | | | | |
| Compensated absences, net of current portion | | 4,072 | - | 4,072 |
| Total non-current liabilities | | <u>4,072</u> | <u>-</u> | <u>4,072</u> |
| Total liabilities | | <u>1,456,874</u> | <u>323,498</u> | <u>1,780,372</u> |
| NET POSITION | | | | |
| Net investment in capital assets | | 267,012 | - | 267,012 |
| Unrestricted | | 712,561 | - | 712,561 |
| Total net position | | <u>\$ 979,573</u> | <u>\$ -</u> | <u>\$ 979,573</u> |

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Motor Pool Fund | Payroll Fund | Total |
|--|----------------------------|-------------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,123,146 | \$ - | \$ 1,123,146 |
| Other services | 4,414 | - | 4,414 |
| Total operating revenues | <u>1,127,560</u> | <u>-</u> | <u>1,127,560</u> |
| OPERATING EXPENSES | | | |
| Personal services | 593,421 | - | 593,421 |
| Purchased or contracted services | 275,852 | - | 275,852 |
| Supplies | 756,394 | - | 756,394 |
| Miscellaneous | 12,144 | - | 12,144 |
| Depreciation | 49,919 | - | 49,919 |
| Total operating expenses | <u>1,687,730</u> | <u>-</u> | <u>1,687,730</u> |
| Operating loss | <u>(560,170)</u> | <u>-</u> | <u>(560,170)</u> |
| TRANSFERS | | | |
| Transfers in | 659,538 | - | 659,538 |
| Total transfers | <u>659,538</u> | <u>-</u> | <u>659,538</u> |
| Change in net position | 99,368 | - | 99,368 |
| Net position, beginning of year | <u>880,205</u> | <u>-</u> | <u>880,205</u> |
| Net position, end of year | <u>\$ 979,573</u> | <u>\$ -</u> | <u>\$ 979,573</u> |

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

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | Motor Pool Fund | Payroll Fund | Total |
|--|----------------------------|-------------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from interfund services provided | \$ 1,121,685 | \$ 87,329 | \$ 1,209,014 |
| Payments to suppliers | (1,031,210) | - | (1,031,210) |
| Payments to employees | (591,843) | - | (591,843) |
| Net cash provided by (used in) operating activities | <u>(501,368)</u> | <u>87,329</u> | <u>(414,039)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in | 659,538 | - | 659,538 |
| Net cash provided by noncapital financing activities | <u>659,538</u> | <u>-</u> | <u>659,538</u> |
| Increase in cash and cash equivalents | <u>158,170</u> | <u>87,329</u> | <u>245,499</u> |
| Cash and cash equivalents: | | | |
| Beginning of year | <u>1,399,387</u> | <u>58,414</u> | <u>1,457,801</u> |
| End of year | <u>\$ 1,557,557</u> | <u>\$ 145,743</u> | <u>\$ 1,703,300</u> |

(Continued)

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | <u>Moter Pool Fund</u> | <u>Payroll Fund</u> | <u>Total</u> |
|--|----------------------------|-------------------------|---------------------|
| Reconciliation of operating loss to net cash provided by (used in) operating activities: | | | |
| Operating loss | \$ (560,170) | \$ - | \$ (560,170) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | |
| Depreciation | 49,919 | - | 49,919 |
| Changes in assets and liabilities: | | | |
| Decrease in accounts receivable | 46 | - | 46 |
| Decrease in inventories | 8,274 | - | 8,274 |
| Increase in due from other funds | (36,624) | (10,214) | (46,838) |
| Decrease in due from component units | - | 47,188 | 47,188 |
| Increase in prepaids and other assets | (245) | - | (245) |
| Increase in accounts payable | 5,151 | - | 5,151 |
| Increase in accrued liabilities | 1,578 | 44,004 | 45,582 |
| Increase in due to other funds | 30,703 | 6,351 | 37,054 |
| Net cash provided by (used in) operating activities | <u>\$ (501,368)</u> | <u>\$ 87,329</u> | <u>\$ (414,039)</u> |

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

CITY OF GRIFFIN, GEORGIA

**BALANCE SHEET
COMPONENT UNITS
JUNE 30, 2022**

| | <u>Griffin Main Street</u> | <u>Griffin Downtown Development</u> |
|-----------------------------|--------------------------------|---|
| ASSETS | | |
| Cash and cash equivalents | \$ 53,226 | \$ 161,119 |
| Due from primary government | 38,718 | 74,159 |
| | <hr/> | <hr/> |
| Total assets | 91,944 | 235,278 |
| | <hr/> | <hr/> |
| LIABILITIES | | |
| Accounts payable | 2,615 | - |
| Unearned revenue | 238 | - |
| Due to primary government | 3,929 | 3,455 |
| | <hr/> | <hr/> |
| Total liabilities | 6,782 | 3,455 |
| | <hr/> | <hr/> |
| FUND BALANCES | | |
| Unassigned | 85,162 | 231,823 |
| | <hr/> | <hr/> |
| Total fund balances | \$ 85,162 | \$ 231,823 |
| | <hr/> <hr/> | <hr/> <hr/> |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | <u>Griffin Main Street</u> | <u>Griffin Downtown Development</u> |
|---|--------------------------------|---|
| Revenues | | |
| Intergovernmental | \$ 105,949 | \$ 92,077 |
| Contributions | - | 30,300 |
| Interest | - | 37 |
| Total revenues | <u>105,949</u> | <u>122,414</u> |
| Expenditures | | |
| Purchased or contracted services | 18,604 | 3,631 |
| Supplies | 5,143 | - |
| Miscellaneous | 86,257 | 117,124 |
| Total expenditures | <u>110,004</u> | <u>120,755</u> |
| Net change in fund balances | (4,055) | 1,659 |
| Fund balances, beginning of year | <u>89,217</u> | <u>230,164</u> |
| Fund balances, end of year | <u>\$ 85,162</u> | <u>\$ 231,823</u> |

CITY OF GRIFFIN, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
AIRPORT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | |
|---|----------------------|
| OPERATING REVENUES | |
| Charges for services | \$ 508,933 |
| Other services | 400 |
| Total operating revenues | <u>509,333</u> |
| OPERATING EXPENSES | |
| Personnel services | 224,538 |
| Purchased or contracted service | 471,625 |
| Supplies | 8,980 |
| Miscellaneous | 67,309 |
| Depreciation | 149,439 |
| Total operating expenses | <u>921,891</u> |
| Operating loss | <u>(412,558)</u> |
| NON-OPERATING REVENUES (EXPENSES) | |
| Intergovernmental | 8,434,927 |
| Intergovernmental - contributions from City | 528,197 |
| Interest revenue | 95 |
| Interest expense and fiscal charges | (134,974) |
| Gain on sale of capital assets | 3,000 |
| Total non-operating revenues, net | <u>8,831,245</u> |
| Change in net position | <u>8,418,687</u> |
| Net position, beginning of year | <u>11,552,369</u> |
| Net position, end of year | <u>\$ 19,971,056</u> |

CITY OF GRIFFIN, GEORGIA
STATEMENT OF CASH FLOWS
AIRPORT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---------------------------------------|--------------------|
| Receipts from customers and users | \$ 1,006,477 |
| Payments to suppliers | (8,740,761) |
| Payments to employees | <u>(241,656)</u> |
| Net cash used in operating activities | <u>(7,975,940)</u> |

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

| | |
|--|------------------|
| Intergovernmental | <u>8,963,124</u> |
| Net cash provided by noncapital financing activities | <u>8,963,124</u> |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|---|--------------------|
| Acquisition and construction of capital assets | (9,013,988) |
| Payments on revenue bonds | (500,000) |
| Interest paid | <u>(172,450)</u> |
| Net cash used in capital and related financing activities | <u>(9,683,438)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|-----------|
| Interest on investments | <u>95</u> |
| Net cash provided by investing activities | <u>95</u> |

Decrease in cash and cash equivalents (8,696,159)

Cash and cash equivalents:

| | |
|--------------------------|-------------------|
| Beginning of year | <u>9,626,608</u> |
| End of year | <u>\$ 930,449</u> |

Reconciliation of operating loss to net cash provided by operating activities:

| | |
|---|-----------------------|
| Operating loss | \$ (412,558) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | |
| Depreciation | 149,439 |
| Changes in assets and liabilities: | |
| Decrease in accounts receivable | 58,347 |
| Increase in inventory | (11,488) |
| Decrease in due from other funds | 485,853 |
| Decrease in deferred outflows of resources - pension and other post-employment benefits | 4,404 |
| Increase in accounts payable | 5,580 |
| Increase in accrued liabilities | 4,858 |
| Decrease in deferred revenue | (8,190,684) |
| Decrease in due to other funds | (47,056) |
| Decrease in net pension liability | (88,012) |
| Increase in net other post-employment benefits liability | 2,395 |
| Increase in deferred inflows of resources - pension and other post-employment benefits | <u>62,982</u> |
| Net cash used in operating activities | <u>\$ (7,975,940)</u> |

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Griffin's annual comprehensive 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 | 125 – 132 |
| <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 | 133 – 139 |
| <i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i> | |
| Debt Capacity | 140 – 144 |
| <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 | 145 and 146 |
| <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 | 147 – 149 |
| <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 | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 17,649,753 | \$ 18,088,118 | \$ 19,658,120 | \$ 27,292,457 | \$ 21,045,080 | \$ 27,223,308 | \$ 33,376,373 | \$ 39,001,235 | \$ 46,019,877 | \$ 51,070,256 |
| Restricted | 4,206,163 | 6,227,266 | 6,166,773 | 11,415,432 | 14,948,625 | 15,393,224 | 13,980,926 | 16,334,895 | 19,969,035 | 22,683,003 |
| Unrestricted | 15,001,410 | 15,748,511 | 7,434,838 | (1,841,296) | 4,416,351 | 3,066,557 | 1,776,781 | 2,420,137 | 5,955,817 | 14,899,400 |
| Total governmental activities net position | <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> | <u>\$ 71,944,729</u> | <u>\$ 88,652,659</u> |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | \$ 45,543,491 | \$ 49,188,045 | \$ 55,349,624 | \$ 59,283,034 | \$ 64,495,240 | \$ 69,396,942 | \$ 71,716,224 | \$ 71,580,894 | \$ 74,625,242 | \$ 77,254,530 |
| Restricted | 10,404,843 | 5,982,820 | 4,017,589 | 4,068,183 | 2,841,274 | 2,632,901 | 2,200,058 | 2,267,437 | 2,341,677 | 2,423,419 |
| Unrestricted | 27,140,869 | 31,291,021 | 24,192,432 | 31,277,153 | 31,868,579 | 34,699,829 | 41,752,926 | 51,842,144 | 56,614,274 | 59,549,265 |
| Total business-type activities net position | <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> | <u>\$ 133,581,193</u> | <u>\$ 139,227,214</u> |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | \$ 63,193,244 | \$ 67,276,163 | \$ 75,007,744 | \$ 86,575,491 | \$ 85,540,320 | \$ 96,620,250 | \$ 105,092,597 | \$ 110,582,129 | \$ 120,645,119 | \$ 128,324,786 |
| Restricted | 14,611,006 | 12,210,086 | 10,184,362 | 15,483,615 | 17,789,899 | 18,026,125 | 16,180,984 | 18,602,332 | 22,310,712 | 25,106,422 |
| Unrestricted | 42,142,279 | 47,039,532 | 31,627,270 | 29,435,857 | 36,284,930 | 37,766,386 | 43,529,707 | 54,262,281 | 62,570,091 | 74,448,665 |
| Total primary government net position | <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> | <u>\$ 205,525,922</u> | <u>\$ 227,879,873</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) | | | | | | | | | |
|--|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Expenses | | | | | | | | | | |
| Primary government | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 4,817,013 | \$ 5,019,496 | \$ 4,814,301 | \$ 4,794,301 | \$ 8,607,024 | \$ 5,541,017 | \$ 6,390,256 | \$ 4,394,221 | \$ 3,525,727 | \$ 6,699,391 |
| Judicial | 163,995 | 187,201 | 220,967 | 299,837 | 231,521 | 312,526 | 385,072 | 356,904 | 364,075 | 316,296 |
| Public safety | 14,671,072 | 14,770,642 | 14,095,194 | 14,149,168 | 13,723,855 | 14,559,704 | 16,861,029 | 16,099,234 | 17,216,914 | 17,247,421 |
| Public works | 6,125,980 | 4,838,560 | 4,450,304 | 5,181,358 | 4,648,252 | 4,907,482 | 4,836,268 | 4,876,652 | 6,406,105 | 5,713,494 |
| Health and welfare | - | - | - | - | - | - | - | - | - | 15,691 |
| Parks and recreation | 306,880 | 331,053 | 341,114 | 375,164 | 390,878 | 376,616 | 497,250 | 447,893 | 378,481 | (359,709) |
| Housing and development | 1,744,909 | 1,285,090 | 1,198,472 | 1,414,435 | 1,423,875 | 1,262,974 | 1,239,173 | 1,724,904 | 1,532,413 | 2,588,988 |
| Interest and fiscal changes | 315,732 | 206,286 | 194,435 | 439,627 | 150,998 | 127,215 | 130,831 | 127,403 | 99,760 | 111,940 |
| Total governmental activities expenses | 28,145,581 | 26,638,328 | 25,314,787 | 26,653,890 | 29,176,403 | 27,087,534 | 30,339,879 | 28,027,211 | 29,523,475 | 32,333,512 |
| Business-type activities: | | | | | | | | | | |
| Water and wastewater | 16,452,354 | 15,142,670 | 15,250,310 | 16,507,868 | 16,394,635 | 16,895,047 | 17,821,674 | 18,231,671 | 18,169,568 | 18,112,375 |
| Electric | 36,908,037 | 37,555,182 | 38,889,023 | 37,265,142 | 38,308,938 | 38,274,105 | 41,232,826 | 40,718,967 | 43,354,254 | 48,234,998 |
| Solid waste | 6,259,574 | 6,460,663 | 6,869,383 | 6,865,956 | 7,766,989 | 7,442,498 | 8,644,253 | 8,658,174 | 8,855,745 | 9,885,131 |
| Stormwater | 1,607,053 | 1,765,224 | 1,981,286 | 1,639,352 | 1,816,685 | 1,919,628 | 2,404,415 | 2,343,956 | 2,229,021 | 2,275,032 |
| Airport | 1,014,246 | - | - | - | - | - | - | - | - | - |
| Welcome center | 115,656 | 122,901 | 106,913 | 101,107 | 109,020 | 172,931 | 128,543 | 1,666,578 | - | - |
| Telecommunications | - | - | - | - | - | 70,754 | 79,321 | 96,949 | 133,430 | 544,706 |
| Golf course | 608,758 | 637,841 | 662,440 | 659,881 | 656,516 | 656,870 | 685,707 | 706,668 | 879,589 | 1,022,465 |
| Total business-type activities expenses | 62,965,678 | 61,684,481 | 63,759,355 | 63,039,306 | 65,052,783 | 65,431,833 | 70,996,739 | 72,422,963 | 73,621,607 | 80,074,707 |
| Total primary government expenses | 91,111,259 | 88,322,809 | 89,074,142 | 89,693,196 | 94,229,186 | 92,519,367 | 101,336,618 | 100,450,174 | 103,145,082 | 112,408,219 |
| Program revenues | | | | | | | | | | |
| Primary government | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | 5,241,268 | 5,716,553 | 5,559,215 | 5,380,984 | 5,456,453 | 5,860,496 | 5,676,731 | 5,757,419 | 5,700,325 | 7,023,044 |
| Public safety | 1,035,788 | 660,646 | 888,437 | 832,375 | 783,377 | 837,529 | 1,132,432 | 1,124,575 | 1,175,889 | 1,108,295 |
| Public works | 197,369 | 174,619 | 187,224 | 173,247 | 173,578 | 193,721 | 200,358 | 216,153 | 272,233 | 303,793 |
| Parks and recreation | 207,317 | 186,169 | 215,779 | 226,426 | 198,072 | 189,906 | 252,700 | 186,715 | 205,977 | 241,593 |
| Housing and economic development | 127,337 | 150,780 | 235,016 | 181,471 | 230,524 | 238,120 | 430,409 | 742,636 | 642,035 | 603,207 |
| Operating grants and contributions | 790,343 | 615,471 | 373,085 | 573,546 | 436,650 | 310,585 | 210,833 | 142,223 | 199,073 | 599,286 |
| Capital grants and contributions | 2,244,969 | 2,629,373 | 1,235,013 | 2,698,218 | 4,808,719 | 6,282,899 | 5,333,937 | 7,423,291 | 10,481,416 | 9,008,512 |
| Total governmental activities program revenues | 9,844,391 | 10,133,611 | 8,693,769 | 10,066,267 | 12,087,373 | 13,913,256 | 13,237,400 | 15,593,012 | 18,676,948 | 18,887,730 |

(Continued)

CITY OF GRIFFIN, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

| | Fiscal Year ^(a) | | | | | | | | | |
|---|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Program revenues (Continued) | | | | | | | | | | |
| Business-type activities: | | | | | | | | | | |
| Charges for services ^(a) | | | | | | | | | | |
| Water and wastewater | \$ 19,281,293 | \$ 18,756,927 | \$ 19,028,788 | \$ 25,091,898 | \$ 21,276,341 | \$ 21,620,331 | \$ 23,531,271 | \$ 24,409,982 | \$ 24,963,709 | \$ 25,751,330 |
| Electric | 44,114,775 | 47,080,348 | 48,554,415 | 46,628,975 | 48,009,529 | 48,174,964 | 52,051,728 | 53,449,330 | 53,813,627 | 54,841,913 |
| Solid waste | 5,958,989 | 6,176,975 | 6,454,229 | 6,097,257 | 6,164,237 | 6,448,130 | 6,853,573 | 7,195,397 | 8,060,195 | 9,275,381 |
| Stormwater | 2,219,025 | 2,207,951 | 2,147,621 | 2,501,751 | 2,373,383 | 2,393,280 | 2,448,234 | 2,448,059 | 2,552,899 | 2,640,151 |
| Airport | 683,920 | - | - | - | - | - | - | - | - | - |
| Welcome Center | 11,524 | 8,075 | 11,575 | 5,240 | 8,950 | 10,125 | 5,400 | - | - | - |
| Telecommunications | - | - | - | - | - | 378,339 | 544,446 | 477,922 | 489,640 | 914,821 |
| Golf course | 236,934 | 236,936 | 235,553 | 232,475 | 184,537 | 213,776 | 222,002 | 324,736 | 488,103 | 510,879 |
| Operating grants and contributions | 182,849 | 104,962 | - | 355,826 | 28,174 | 28,925 | - | - | - | - |
| Capital grants and contributions | 9,141,322 | 21,758 | 12,000 | 272,912 | 227,988 | 564,670 | 259,362 | 47,872 | 198,922 | 462,797 |
| Total business-type activities program revenues | 81,830,631 | 74,593,932 | 76,444,181 | 81,186,334 | 78,273,139 | 79,832,540 | 85,916,016 | 88,353,298 | 90,567,095 | 94,397,272 |
| Total primary government program revenues | 91,675,022 | 84,727,543 | 85,137,950 | 91,252,601 | 90,360,512 | 93,745,796 | 99,153,416 | 103,946,310 | 109,244,043 | 113,285,002 |
| General revenues and other changes in net position | | | | | | | | | | |
| Primary government | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes | 4,562,903 | 4,986,729 | 4,412,356 | 4,432,632 | 4,385,425 | 4,664,507 | 4,879,013 | 4,692,316 | 4,782,016 | 11,398,259 |
| Sales taxes | 3,409,570 | 3,345,800 | 3,467,609 | 3,554,330 | 3,438,553 | 3,622,779 | 3,901,905 | 4,234,202 | 5,025,382 | 5,247,495 |
| Insurance premium tax | 1,177,972 | 1,219,600 | 1,274,964 | 1,361,974 | 1,492,683 | 1,546,090 | 1,667,303 | 1,768,610 | 1,866,289 | 1,923,982 |
| Alcoholic beverage taxes | 621,130 | 626,427 | 647,763 | 654,739 | 663,403 | 694,817 | 663,925 | 695,933 | 736,587 | 691,816 |
| Business occupational taxes | 416,930 | 441,938 | 431,498 | 457,755 | 459,395 | 432,276 | 443,601 | 442,940 | 465,031 | 428,575 |
| Other taxes | 253,890 | 257,431 | 399,177 | 523,587 | 523,462 | 499,673 | 500,567 | 518,876 | 514,078 | 524,041 |
| Franchise fees | 559,345 | 535,272 | 526,376 | 378,289 | 513,414 | 561,363 | 483,069 | 752,107 | 729,947 | 835,357 |
| Unrestricted investment earnings | 9,852 | 445,337 | 127,873 | 165,895 | 248,710 | 292,909 | 316,886 | 287,965 | 1,319,244 | 145,217 |
| Gain on sale of assets | - | 5,341 | 31,644 | 14,670 | 14,252 | 178,057 | 15,587 | 65,070 | 38,020 | - |
| Transfers | 8,397,943 | 7,847,411 | 9,530,554 | 8,650,614 | 8,893,196 | 6,887,541 | 7,681,614 | 7,598,367 | 9,558,395 | 8,958,970 |
| Total governmental activities general revenues and changes in net position | 19,409,535 | 19,711,286 | 20,849,814 | 20,194,485 | 20,632,493 | 19,380,012 | 20,553,470 | 21,056,386 | 25,034,989 | 30,153,712 |
| Business-type activities: | | | | | | | | | | |
| Unrestricted investment earnings | (373,183) | 1,256,518 | 660,532 | 1,571,311 | 249,563 | 506,130 | 1,701,873 | 1,689,299 | 503,625 | 56,506 |
| Gain on sale of assets | - | 207,091 | - | 1,000 | - | - | - | - | - | 225,920 |
| Special item | - | (3,152,966) | - | - | - | - | - | - | - | - |
| Transfers | (8,397,943) | (7,847,411) | (9,530,554) | (8,650,614) | (8,893,196) | (6,887,541) | (7,681,614) | (7,598,367) | (9,558,395) | (8,958,970) |
| Total business type activities general revenues and changes in net position | (8,771,126) | (9,536,768) | (8,870,022) | (7,078,303) | (8,643,633) | (6,381,411) | (5,979,741) | (5,909,068) | (9,054,770) | (8,676,544) |

(Continued)

CITY OF GRIFFIN, GEORGIA

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

| | Fiscal Year ^(a) | | | | | | | | | |
|---|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General revenues and other changes in net position (Continued) | | | | | | | | | | |
| Total primary government general revenues and other changes in net position | \$ 10,638,409 | \$ 10,174,518 | \$ 11,979,792 | \$ 13,116,182 | \$ 11,988,860 | \$ 12,998,601 | \$ 14,573,729 | \$ 15,147,318 | \$ 15,980,219 | \$ 21,477,168 |
| Change in net position | | | | | | | | | | |
| Governmental activities | 1,108,345 | 3,206,569 | 4,228,796 | 3,606,862 | 3,543,463 | 6,205,734 | 3,450,991 | 8,622,187 | 14,188,462 | 16,707,930 |
| Business-type activities | 10,093,827 | 3,372,683 | 3,814,804 | 11,068,725 | 4,576,723 | 8,019,296 | 8,939,536 | 10,021,267 | 7,890,718 | 5,646,021 |
| Total primary government change in net position | \$ 11,202,172 | \$ 6,579,252 | \$ 8,043,600 | \$ 14,675,587 | \$ 8,120,186 | \$ 14,225,030 | \$ 12,390,527 | \$ 18,643,454 | \$ 22,079,180 | \$ 22,353,951 |

^(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
LAST TEN FISCAL YEARS**

| | Fiscal Year | | | | | | | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General fund | | | | | | | | | | |
| Nonspendable | \$ 217,727 | \$ 143,578 | \$ 187,974 | \$ 200,714 | \$ 241,156 | \$ 214,971 | \$ 234,624 | \$ 324,157 | \$ 251,759 | \$ 242,520 |
| Restricted | 109,357 | 109,357 | 109,357 | 109,357 | 109,357 | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | 7,624,705 | 8,012,324 | 10,003,964 | 10,770,758 | 11,306,559 | 11,598,316 | 11,604,436 | 12,651,799 | 14,723,563 | 15,558,143 |
| Total general fund | <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> | <u>\$ 14,975,322</u> | <u>\$ 15,800,663</u> |
| All other governmental funds | | | | | | | | | | |
| Nonspendable, reported in: | | | | | | | | | | |
| Special revenue funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital projects funds | - | - | - | 1,098,963 | 1,069,875 | 1,809,450 | - | - | 1,894,200 | 1,927,800 |
| Permanent funds | 2,406,047 | 2,494,726 | 2,548,442 | 2,632,623 | 2,707,778 | 2,789,664 | 2,939,670 | 2,903,000 | 3,750,115 | 3,505,631 |
| Restricted, reported in: | | | | | | | | | | |
| Special revenue funds | 576,388 | 669,104 | 781,473 | 1,137,425 | 1,307,249 | 1,596,822 | 1,915,890 | 2,310,446 | 2,752,552 | 3,244,352 |
| Capital projects funds | 3,264,096 | 4,784,160 | 4,473,499 | 9,221,759 | 9,881,346 | 7,979,237 | 7,714,442 | 9,248,669 | 9,699,388 | 12,132,440 |
| Permanent funds | 256,322 | 664,645 | 802,444 | 946,891 | 1,148,730 | 1,410,924 | 1,598,024 | 2,057,260 | 2,045,186 | 2,028,144 |
| Unassigned | (65,152) | (10,087) | (2,947) | (178,042) | (236,792) | (40,394) | (5,894) | (1,202,071) | (311,304) | (383,353) |
| Total all other governmental funds | <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> | <u>\$ 19,830,137</u> | <u>\$ 22,455,014</u> |
| Total all governmental funds | <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> | <u>\$ 34,805,459</u> | <u>\$ 38,255,677</u> |

CITY OF GRIFFIN, GEORGIA

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

| | Fiscal Year | | | | | | | | | |
|---|--------------------|--------------------|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Revenues | | | | | | | | | | |
| Property taxes | \$ 4,451,514 | \$ 4,890,450 | \$ 4,576,229 | \$ 4,465,980 | \$ 4,378,755 | \$ 4,615,589 | \$ 4,825,690 | \$ 4,531,914 | \$ 5,040,142 | \$ 5,287,173 |
| Other taxes | 5,879,492 | 5,891,196 | 6,221,011 | 6,407,087 | 6,567,448 | 6,857,325 | 7,159,803 | 7,893,792 | 8,823,236 | 9,127,225 |
| Charges for services | 5,251,331 | 5,656,674 | 5,558,446 | 5,405,502 | 5,443,236 | 5,846,545 | 5,726,485 | 5,923,612 | 5,729,404 | 7,031,772 |
| Licenses and permits | 312,916 | 319,997 | 388,918 | 289,954 | 363,442 | 373,166 | 539,253 | 739,052 | 682,794 | 678,833 |
| Intergovernmental | 3,031,251 | 3,244,735 | 1,608,021 | 3,271,697 | 5,244,164 | 6,590,238 | 5,542,706 | 7,564,994 | 10,680,489 | 9,607,798 |
| Franchise fees | 559,345 | 535,272 | 526,376 | 523,587 | 523,462 | 499,673 | 500,567 | 518,876 | 514,078 | 524,041 |
| Fines and forfeitures | 984,364 | 621,506 | 846,414 | 783,125 | 738,696 | 768,565 | 930,661 | 877,352 | 980,217 | 953,982 |
| Interest revenues | 9,936 | 445,446 | 127,950 | 165,962 | 249,915 | 296,155 | 318,950 | 288,485 | 1,319,244 | 145,217 |
| Rental income | 193,944 | 175,598 | 207,623 | 209,693 | 186,979 | 175,162 | 237,690 | 183,974 | 197,722 | 234,478 |
| Contributions and donations | 629 | 9,160 | 26,601 | 30,040 | 10,427 | 12,230 | 21,551 | 6,709 | 7,468 | 1,279 |
| Other revenues | 65,895 | 105,832 | 57,669 | 76,189 | 99,224 | 144,104 | 236,990 | 296,799 | 398,854 | 379,588 |
| Total revenues | <u>20,740,617</u> | <u>21,895,866</u> | <u>20,145,258</u> | <u>21,628,816</u> | <u>23,805,748</u> | <u>26,178,752</u> | <u>26,040,346</u> | <u>28,825,559</u> | <u>34,373,648</u> | <u>33,971,386</u> |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 4,534,475 | 4,702,864 | 4,594,427 | 4,518,227 | 5,785,473 | 5,400,732 | 5,048,129 | 5,145,955 | 5,430,746 | 6,401,664 |
| Judicial | 163,570 | 185,970 | 221,222 | 299,708 | 232,350 | 314,481 | 366,359 | 358,010 | 371,140 | 351,838 |
| Public safety | 14,801,325 | 13,996,515 | 14,098,284 | 14,078,548 | 13,959,928 | 14,965,354 | 15,690,542 | 15,552,717 | 17,065,684 | 18,380,378 |
| Public works | 5,299,122 | 4,749,767 | 5,191,626 | 5,888,564 | 4,912,691 | 4,806,953 | 4,885,235 | 4,353,911 | 5,949,292 | 6,194,359 |
| Health and Welfare | - | - | - | - | - | - | - | - | - | 15,691 |
| Parks and recreation | 372,654 | 296,379 | 489,016 | 376,386 | 361,581 | 372,177 | 522,268 | 505,157 | 444,645 | 338,857 |
| Housing and development | 1,749,118 | 1,257,507 | 1,186,700 | 1,547,863 | 1,419,384 | 1,264,820 | 1,456,108 | 1,950,400 | 1,765,362 | 2,906,700 |
| Capital outlay | 1,579,640 | 933,531 | 752,512 | 3,841,861 | 4,038,741 | 5,192,315 | 4,836,024 | 3,515,470 | 3,888,549 | 2,061,646 |
| Debt service: | | | | | | | | | | |
| Principal | 415,465 | 341,489 | 282,252 | 3,001,822 | 79,171 | 997,615 | 1,784,843 | 1,879,414 | 2,040,873 | 2,005,344 |
| Interest and fiscal charges | 299,941 | 207,492 | 194,578 | 427,877 | 329,067 | 367,381 | 342,730 | 308,576 | 236,827 | 164,123 |
| Total expenditures | <u>29,215,310</u> | <u>26,671,514</u> | <u>27,010,617</u> | <u>33,980,856</u> | <u>31,118,386</u> | <u>33,681,828</u> | <u>34,932,238</u> | <u>33,569,610</u> | <u>37,193,118</u> | <u>38,820,600</u> |
| Deficiency of revenues over expenditures | <u>(8,474,693)</u> | <u>(4,775,648)</u> | <u>(6,865,359)</u> | <u>(12,352,040)</u> | <u>(7,312,638)</u> | <u>(7,503,076)</u> | <u>(8,891,892)</u> | <u>(4,744,051)</u> | <u>(2,819,470)</u> | <u>(4,849,214)</u> |

(Continued)

CITY OF GRIFFIN, GEORGIA

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

| | Fiscal Year | | | | | | | | | |
|--|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | \$ 9,198,968 | \$ 8,700,129 | \$ 8,700,129 | \$ 12,630,220 | \$ 10,482,930 | \$ 9,560,767 | \$ 8,471,122 | \$ 8,898,279 | \$ 10,194,882 | \$ 10,423,777 |
| Transfers out | (1,381,644) | (1,451,505) | (1,451,505) | (3,979,606) | (1,589,734) | (2,673,226) | (1,477,167) | (1,927,230) | (1,195,461) | (2,124,345) |
| Tax allocation bond issuance | 866,397 | - | - | - | - | - | - | - | - | - |
| Bond proceeds | - | - | - | 9,715,000 | - | - | - | - | - | - |
| Premium on bond issuance | - | - | - | 1,007,998 | - | - | - | - | - | - |
| Capital leases | - | - | - | - | - | 261,210 | 524,552 | - | 294,228 | - |
| Proceeds from the sale of capital assets | 45,087 | 5,341 | 5,341 | 14,670 | 14,252 | 178,057 | 15,587 | 65,070 | 38,020 | - |
| Total other financing sources | 8,728,808 | 7,253,965 | 7,253,965 | 19,388,282 | 8,907,448 | 7,326,808 | 7,534,094 | 7,036,119 | 9,331,669 | 8,299,432 |
| Net change in fund balances | <u>\$ 254,115</u> | <u>\$ 2,478,317</u> | <u>\$ 388,606</u> | <u>\$ 7,036,242</u> | <u>\$ 1,594,810</u> | <u>\$ (176,268)</u> | <u>\$ (1,357,798)</u> | <u>\$ 2,292,068</u> | <u>\$ 6,512,199</u> | <u>\$ 3,450,218</u> |
| Debt service as a percentage of noncapital expenditures | <u>2.69%</u> | <u>2.20%</u> | <u>1.97%</u> | <u>12.26%</u> | <u>1.64%</u> | <u>5.13%</u> | <u>7.52%</u> | <u>7.83%</u> | <u>7.56%</u> | <u>6.52%</u> |

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 |
|--------------------|---------------------|--------------------------|---------------------|-----------------------------|--------------|
| 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 |
| 2021 | 5,040 | 4,234 | 443 | 3,736 | 12,945 |
| 2022 | 5,287 | 5,247 | 429 | 3,975 | 14,938 |

⁽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**

| Fiscal Year Ended June 30, | Digest Tax Year | Residential Property | Commercial Property | Industrial Property | Other Property ^(a) | Less: Tax-Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a % of Actual Value |
|-----------------------------------|------------------------|-----------------------------|----------------------------|----------------------------|--------------------------------------|---------------------------------------|-------------------------------------|------------------------------|---------------------------------------|--|
| 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 | 522,230,709 | 7.33 | 1,305,576,773 | 40% |
| 2015 | 2014 | 205,946,035 | 231,703,614 | 69,346,736 | 36,366,027 | 45,781,832 | 497,580,580 | 7.89 | 1,243,951,450 | 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% |
| 2021 | 2020 | 264,978,303 | 300,844,188 | 77,282,873 | 13,017,819 | 37,669,618 | 618,453,565 | 7.08 | 1,546,133,913 | 40% |
| 2022 | 2021 | 295,575,443 | 307,520,720 | 77,439,691 | 12,318,932 | 41,067,836 | 651,786,950 | 7.08 | 1,629,467,375 | 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 | | | | | | | | | |
|---|-------------|--------|--------|--------|--------|--------|--------|-----------|--------|--------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Municipal rates | | | | | | | | | | |
| City of Griffin: | | | | | | | | | | |
| Maintenance and operations | 15.19 | 14.97 | 14.37 | 14.37 | 14.37 | 14.64 | 14.65 | 13.62 | 14.08 | 14.08 |
| Sales tax reduction | (6.58) | (7.64) | (6.48) | (6.48) | (6.60) | (7.00) | (7.01) | (6.54) | (7.00) | (6.99) |
| Total City of Griffin | 8.61 | 7.33 | 7.89 | 7.89 | 7.77 | 7.64 | 7.64 | 7.08 | 7.08 | 7.08 |
| City of Orchard Hill maintenance and operations | 6.31 | 6.31 | 6.31 | 6.30 | 6.30 | 5.94 | 5.61 | 5.61 | 5.63 | 5.59 |
| City of Sunny Side maintenance and operations | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 4.79 | 4.79 | 4.18 | 4.64 |
| Spalding County rates: | | | | | | | | | | |
| Unincorporated maintenance and operations | 16.01 | 16.01 | 16.01 | 15.66 | 15.66 | 16.53 | 16.54 | 16.54 | 16.14 | 16.14 |
| Fire protection ⁽¹⁾ | 5.98 | 4.17 | 5.93 | 3.61 | 3.61 | 3.61 | 3.61 | 3.61 | 3.61 | 3.48 |
| Insurance premium rollback ⁽¹⁾ | (1.81) | (1.76) | (1.76) | - | - | - | - | - | - | - |
| Board of Education | 19.47 | 19.47 | 18.74 | 18.57 | 18.57 | 18.06 | 17.08 | 17.08 | 16.74 | 16.74 |
| State of Georgia | 0.25 | 0.15 | 0.05 | 0.05 | - | - | - | - | - | - |
| Total unincorporated Spalding County | 39.90 | 38.04 | 38.97 | 37.89 | 37.84 | 38.20 | 37.22 | 37.22 | 36.49 | 36.36 |
| Total Municipalities: | | | | | | | | | | |
| City of Griffin | 44.34 | 42.96 | 42.69 | 42.17 | 42.00 | 42.23 | 40.70 | 40.70 | 39.96 | 39.96 |
| City of Orchard Hill | 42.04 | 41.94 | 41.11 | 40.58 | 40.53 | 40.53 | 39.22 | 42,832.00 | 42.12 | 41.95 |
| City of Sunny Side | 40.73 | 40.63 | 39.80 | 39.28 | 39.23 | 39.59 | 38.40 | 42.01 | 37.06 | 37.52 |

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 | |
| 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 |
| 2021 | 2020 | 4,466,569 | 4,104,268 | 91.89% | 147,225 | 4,251,493 | 95.18% | 362,301 |
| 2022 | 2021 | 4,616,607 | 4,840,973 | 104.86% | 164,743 | 5,005,716 | 108.43% | (389,109) |

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 2020 are used for fiscal year ended in 2021).

CITY OF GRIFFIN, GEORGIA

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

| Taxpayer | 2022 | | | 2013 | | |
|--------------------------------|--|-------------|--|--|-------------|--|
| | 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 |
| Bridgestone / Bandag Inc. | \$ 34,226 | 1 | 2.10% | \$ 23,938 | 2 | 1.83% |
| Transcontinental | 23,244 | 2 | 1.43% | | | |
| North Griffin Square | 23,171 | 3 | 1.42% | | | |
| Wal-Mart Stores | 20,988 | 4 | 1.29% | 22,907 | 4 | 1.75% |
| BVA-Spalding | 16,250 | 5 | 1.00% | | | |
| Wellstar Spalding | 14,900 | 6 | 0.91% | 39,694 | 1 | 3.04% |
| NSA Property Holdings | 14,584 | 7 | 0.89% | | | |
| Griffin Crossroads, LLC | 13,245 | 8 | 0.81% | | | |
| Kroger Co | 13,237 | 9 | 0.81% | | | |
| Westadale Griffin Cross | 11,716 | 10 | 0.72% | | | |
| Exo-Tech Packaging LLC | - | | - | 23,908 | 3 | 1.83% |
| International Paper | - | | - | 16,795 | 5 | 1.29% |
| Lowe's Home Centers, Inc. | - | | - | 13,222 | 6 | 1.01% |
| First National Bank of Georgia | - | | - | 11,953 | 7 | 0.92% |
| Home Depot | - | | - | 10,657 | 8 | 0.82% |
| Southwood Walden Point | - | | - | 10,381 | 9 | 0.80% |
| NACOM | - | | - | 9,612 | 10 | 0.74% |
| Total | \$ 185,561 | | 11.39% | \$ 183,067 | | 0.14 |

Source: Spalding County Tax Assessor

CITY OF GRIFFIN, GEORGIA

**TOP TEN SEWER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

| Customer | 2022 | | | | 2013 | | | |
|--|-----------------------|---------------------|------|------------------------------------|-----------------------|---------------------|------|------------------------------------|
| | Usage (in gallons) | Charges | Rank | Percentage of Total Revenues | Usage (in gallons) | Charges | Rank | Percentage of Total Revenues |
| 1888 Mills Inc | 32,753,273 | \$ 318,658 | 1 | 3.2% | - | \$ - | - | - |
| Griffin Spalding County Schools | 22,783,199 | 237,379 | 2 | 2.4% | - | - | - | - |
| Spalding County Law Enforcement | 14,300,237 | 146,267 | 3 | 1.5% | 35,326,400 | \$545,422 | 2 | 8.0% |
| Griffin Crossings Apartments/Westdale Freddie Properties | 14,014,326 | 142,074 | 4 | 1.4% | 22,377,400 | 89,765 | 4 | 1.3% |
| Caterpillar Inc | 10,147,227 | 102,860 | 5 | 1.0% | 13,688,400 | 110,904 | 9 | 1.6% |
| Wellstar Spalding Regional | 9,398,117 | 99,293 | 6 | 1.0% | - | - | - | - |
| Bandag Inc | 7,256,747 | 75,824 | 7 | 0.8% | - | - | - | - |
| Otsuka Chemical America, Inc. | 7,322,686 | 73,125 | 8 | 0.7% | - | - | - | - |
| Walden Pointe Apartments | 6,359,431 | 70,492 | 9 | 0.7% | 15,361,400 | 134,555 | 8 | 2.0% |
| Griffin Express Carwash LLC | 5,411,207 | 45,507 | 10 | 0.5% | - | - | - | - |
| Southern Terry | - | - | - | - | 73,050,600 | 546,850 | 1 | 8.0% |
| AMI Griffin-Spalding Co. Hospital | - | - | - | - | 30,648,600 | 243,596 | 3 | 3.6% |
| Griffin Housing Authority | - | - | - | - | 21,507,800 | 170,148 | 5 | 2.5% |
| Northside Hills Apartments | - | - | - | - | 20,968,600 | 156,988 | 6 | 2.3% |
| Spalding Co C I | - | - | - | - | 15,364,800 | 119,144 | 7 | 1.7% |
| Brightmoor Health | - | - | - | - | 12,134,400 | 78,165 | 10 | 1.1% |
| | <u>129,746,450</u> | <u>\$ 1,311,479</u> | | <u>13.0%</u> | <u>260,428,400</u> | <u>\$ 2,195,537</u> | | <u>32.1%</u> |

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

**TOP TEN WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

| Customer | 2022 | | | | 2013 | | | |
|--|-----------------------|----------------------|------|------------------------------------|-----------------------|----------------------|------|------------------------------------|
| | Usage (in gallons) | Charges | Rank | Percentage of Total Revenues | Usage (in gallons) | Charges | Rank | Percentage of Total Revenues |
| Spalding County Water Authority | 805,040,374 | \$ 5,518,807 | 1 | 43.7% | 775,325,841 | \$ 7,792,612 | 1 | 63.5% |
| Coweta County Water and Sewer | 1,088,683,800 | 3,447,078 | 2 | 27.3% | 1,109,632,000 | 2,851,639 | 2 | 23.3% |
| 1888 Mills Inc | 51,134,017 | 339,653 | 3 | 2.7% | - | - | | - |
| City of Zebulon | 86,852,209 | 402,264 | 4 | 3.2% | 63,649,100 | 501,336 | 3 | 4.1% |
| Griffin Crossings Apartments/Westdale Freddie Properties | 14,014,326 | 161,311 | 5 | 1.3% | - | - | | - |
| Griffin Spalding County Schools | 17,291,121 | 140,816 | 6 | 1.1% | - | - | | - |
| Wellstar Spalding Regional | 14,351,452 | 112,294 | 7 | 0.9% | - | - | | - |
| City of Williamson | 19,741,491 | 91,456 | 8 | 0.7% | 12,389,600 | 97,562 | 7 | 0.8% |
| Bandag Inc | 7,260,159 | 57,648 | 9 | 0.5% | - | - | | - |
| Otsuka Chemcial America, Inc. | 7,322,963 | 54,977 | 10 | 0.4% | - | - | | - |
| Southern Terry | - | - | | - | 73,050,600 | 337,241 | 4 | 2.8% |
| Spalding Regional | - | - | | - | 30,648,600 | 153,336 | 5 | 1.3% |
| Griffin Housing Authority | - | - | | - | 21,507,800 | 124,605 | 6 | 1.0% |
| Griffin Health Care Center 1762 | - | - | | - | 8,151,400 | 45,395 | 8 | 0.4% |
| American Tanning & Leather | - | - | | - | 6,158,800 | 42,220 | 9 | 0.3% |
| International Paper | - | - | | - | 6,913,800 | 37,867 | 10 | 0.3% |
| | <u>2,111,691,912</u> | <u>\$ 10,326,304</u> | | <u>81.7%</u> | <u>2,107,427,541</u> | <u>\$ 11,983,813</u> | | <u>97.4%</u> |

Source: City of Griffin Utility Billing Department

CITY OF GRIFFIN, GEORGIA

**TOP TEN ELECTRIC CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

| Customer | 2022 | | | | 2013 | | | |
|-------------------------------------|-------------------|---------------------|------|------------------------------------|--------------------|---------------------|------|------------------------------------|
| | Usage (in kWh) | Charges | Rank | Percentage of Total Revenues | Usage (in kWh) | Charges | Rank | Percentage of Total Revenues |
| Coveris | 17,768,000 | \$ 1,414,136 | 1 | 2.9% | - | \$ - | - | - |
| Bandag Inc | 15,977,400 | 1,416,263 | 2 | 2.9% | 19,320,000 | 1,397,064 | 2 | 3.4% |
| Wellstar Spalding Regional Hospital | 8,441,904 | 869,743 | 3 | 1.8% | - | - | - | - |
| Caterpillar Inc | 8,294,072 | 801,547 | 4 | 1.7% | 11,915,140 | 916,119 | 5 | 2.2% |
| International Paper | 7,489,200 | 700,975 | 5 | 1.5% | 7,620,600 | 528,887 | 8 | 1.3% |
| City of Griffin W/W | 5,431,200 | 609,967 | 6 | 1.3% | 15,855,318 | 1,434,281 | 1 | 3.5% |
| UGA Griffin Campus | 6,585,600 | 641,004 | 7 | 1.3% | 5,911,200 | 577,071 | 7 | 1.4% |
| Hoshizaki | 5,030,400 | 441,398 | 9 | 0.9% | - | - | - | - |
| Vernay Mfg Co | 5,754,000 | 421,749 | 8 | 0.9% | - | - | - | - |
| Toppan USA Inc | 9,708,400 | 368,919 | 10 | 0.8% | - | - | - | - |
| Exopack | - | - | - | - | 16,696,600 | 1,308,095 | 3 | 3.2% |
| Griffin-Spalding Schools | - | - | - | - | 10,059,475 | 995,301 | 4 | 2.4% |
| Spalding Regional Hospital | - | - | - | - | 8,599,190 | 723,156 | 6 | 1.8% |
| Wal-Mart | - | - | - | - | 5,760,000 | 490,486 | 9 | 1.2% |
| Southern Terry | - | - | - | - | 5,942,800 | 477,831 | 10 | 1.2% |
| | <u>90,480,176</u> | <u>\$ 7,685,701</u> | | <u>16.0%</u> | <u>107,680,323</u> | <u>\$ 8,848,291</u> | | <u>21.7%</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 | Financed Purchase | Inter-governmental Agreement | Water Revenue Bonds | Notes Payable | Financed Purchase | Inter-governmental Agreement | | | | |
| 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 |
| 2021 | 4,529,057 | 780,390 | 2,570,000 | 42,121,953 | 43,869,299 | 1,229,026 | - | 95,099,725 | 6.90% | 3,014.06 | 4,168.66 |
| 2022 | 2,638,062 | 613,858 | 2,320,000 | 38,875,810 | 55,382,243 | 1,922,290 | - | 101,752,263 | 7.39% | 3,224.91 | 4,460.28 |

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

⁽¹⁾ See Page 133, Assessed Value and Estimated Actual Value of Taxable Property for property values and Page 145, Demographic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

| <u>Fiscal Year</u> | <u>General Obligation Bonds</u> | <u>Less: Amounts Available in Debt Service Funds</u> | <u>Total</u> | <u>Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾</u> | <u>Per Capita ⁽¹⁾</u> |
|------------------------|---|--|--------------|--|--------------------------------------|
| 2013 | \$ 858,862 | \$ - | \$ 858,862 | 0.06% | \$ 36 |
| 2014 | 851,026 | - | 851,026 | 0.07% | 35.99 |
| 2015 | 11,484,304 | - | 11,484,304 | 0.92% | 495.01 |
| 2016 | 11,251,124 | - | 11,251,124 | 0.86% | 490.72 |
| 2017 | 10,114,912 | - | 10,114,912 | 0.75% | 427.82 |
| 2018 | 8,267,074 | - | 8,267,074 | 0.62% | 361.35 |
| 2019 | 8,267,074 | - | 8,267,074 | 0.60% | 362.38 |
| 2020 | 6,399,466 | - | 6,399,466 | 0.46% | 280.52 |
| 2021 | 4,529,057 | - | 4,529,057 | 0.33% | 199.74 |
| 2022 | 2,638,062 | - | 2,638,062 | 0.19% | 112.52 |

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

⁽¹⁾ See Page 133, Assessed Value and Estimated Actual Value of Taxable Property for property values and Page 145, Demographic Statistics for population data.

CITY OF GRIFFIN, GEORGIA

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

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt limit | \$ 53,975 | \$ 52,223 | \$ 49,758 | \$ 52,482 | \$ 54,158 | \$ 53,726 | \$ 55,111 | \$ 60,123 | \$ 61,845 | \$ 65,179 |
| Total net debt applicable to limit | 866 | 859 | 851 | 11,484 | 11,251 | 10,115 | 8,267 | 6,399 | 4,529 | 2,638 |
| Legal debt margin | <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> | <u>\$ 55,446</u> | <u>\$ 62,541</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 1.60% | 1.64% | 1.71% | 21.88% | 20.77% | 18.83% | 15.00% | 10.64% | 7.32% | 4.05% |
| Legal Debt Margin Calculation for Fiscal Year 2022 | | | | | | | | | | |
| Total assessed value | | | | | | | | | | \$ 692,855 |
| Less Exempt | | | | | | | | | | 41,068 |
| Total taxable assessed value | | | | | | | | | | <u>651,787</u> |
| Debt limit (10% of total taxable assessed value) | | | | | | | | | | 65,179 |
| Debt applicable to limit | | | | | | | | | | <u>2,638</u> |
| Legal debt margin | | | | | | | | | | <u>\$ 62,541</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.

Digest tax year levied actually fund the following fiscal year (i.e., taxes levied for 2021 are used for fiscal year ended in 2022).

CITY OF GRIFFIN, GEORGIA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2022
(In thousands)**

| <u>Jurisdiction</u> | <u>Debt Outstanding</u> | <u>Percentage Applicable to City of Griffin ⁽¹⁾</u> | <u>Amount Applicable to City of Griffin</u> |
|--|-----------------------------|--|---|
| General Obligation | | | |
| Griffin-Spalding County Airport Authority | \$ 4,640 | 50.00% | \$ 2,320 |
| Direct: | | | |
| City of Griffin tax allocation bonds | \$ 711 | 100.00% | \$ 711 |
| City of Griffin special purpose local option sales tax bonds | 1,927 | 100.00% | 1,927 |
| City of Griffin intergovernmental payable | 2,320 | 100.00% | 2,320 |
| City of Griffin financed purchase | 614 | 100.00% | 614 |
| Total | \$ 5,572 | | \$ 5,572 |
| Total direct and overlapping | \$ 10,212 | | \$ 7,892 |

⁽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 | |
| 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 |
| 2021 | 79,247 | 54,414 | 24,833 | 2,890 | 1,871 | 4,761 | 5.22 |
| 2022 | 78,518 | 56,316 | 22,202 | 3,000 | 1,871 | 4,871 | 4.56 |

⁽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> |
|--------------------|-------------------|---|--|---|
| 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% |
| 2021 | 22,675 | 22,049 | 1.03 | 6.50% |
| 2022 | 23,446 | 22,848 | 1.03 | 5.00% |

* 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 | 2022 | | | 2013 | | |
|-------------------------|--------------|------|--------------------------------|--------------|------|--------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| Catapillar, Inc. | 900 | 1 | 3.14% | 900 | 1 | 4.16% |
| CareMaster Medical | 600 | 2 | 2.09% | - | - | - |
| Norcom | 280 | 3 | 0.98% | 280 | 3 | 1.30% |
| 1888 Mills | 278 | 4 | 0.97% | - | - | - |
| AEP Industries | 250 | 5 | 0.87% | 250 | 4 | 1.16% |
| Hoshzaki America Inc | 240 | 6 | 0.84% | - | - | - |
| Supreme Corporation | 200 | 7 | 0.70% | 200 | 5 | 0.93% |
| Bandag | 170 | 8 | 0.59% | - | - | - |
| Vernay Manufacturing | 165 | 9 | 0.58% | 160 | 9 | 0.74% |
| Coveris LLC | 160 | 10 | 0.56% | - | - | - |
| Southern Terry | - | - | - | 375 | 2 | 1.74% |
| Fashion Industries, Inc | - | - | - | 200 | 6 | 0.93% |
| William Carter Co. | - | - | - | 168 | 7 | 0.78% |
| EXOpack, LLC | - | - | - | 160 | 8 | 0.74% |
| International Paper | - | - | - | 150 | 10 | 0.69% |
| Total | 3,243 | | 11.31% | 2,843 | | 13.17% |

* Sources - Griffin-Spalding County 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 | | | | | | | | | |
|-----------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| General government | | | | | | | | | | |
| Administration | 29 | 30 | 30 | 30 | 32 | 33 | 32 | 32 | 32 | 31 |
| Judicial | 2 | 2 | 3 | 3 | 2 | 4 | 4 | 4 | 5 | 4 |
| Public safety | 168 | 172 | 158 | 156 | 155 | 157 | 151 | 149 | 156 | 158 |
| Public works | 44 | 46 | 44 | 46 | 49 | 49 | 50 | 39 | 38 | 47 |
| Development | 9 | 6 | 6 | 6 | 6 | 5 | 3 | 4 | 10 | 9 |
| Water/wastewater operations | 74 | 73 | 67 | 53 | 78 | 69 | 74 | 77 | 71 | 79 |
| Electric operations | 60 | 64 | 61 | 59 | 59 | 58 | 54 | 59 | 52 | 60 |
| Solid waste operations | 40 | 40 | 38 | 36 | 41 | 39 | 36 | 41 | 33 | 40 |
| Golf course operations | 9 | 9 | 8 | 13 | 14 | 12 | 9 | 11 | 14 | 8 |
| Airport operations | 4 | - | - | - | - | - | 4 | 4 | 4 | 4 |
| Welcome Center | - | - | - | - | - | - | - | - | - | - |
| Stormwater | 14 | 14 | 16 | 13 | 14 | 15 | 14 | 15 | 17 | 16 |
| Motor pool | 11 | 11 | 10 | 11 | 9 | 10 | 9 | 9 | 10 | 11 |
| Total | 464 | 467 | 441 | 426 | 459 | 451 | 440 | 444 | 442 | 467 |

Source: City Finance Department.

CITY OF GRIFFIN, GEORGIA

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

| Function/Program | Fiscal Year | | | | | | | | | |
|--|-------------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Police | | | | | | | | | | |
| Physical arrests | 3,756 | 3,650 | 3,950 | 2,149 | 3,020 | 3,387 | 3,882 | 2,789 | 2,751 | 2,852 |
| Parking violations | - | 5 | - | - | 10 | 2 | 2 | 3 | 4 | 8 |
| Traffic violations | 8,928 | 9,439 | 10,891 | 7,803 | 6,997 | 8,560 | 10,111 | 7,117 | 6,419 | 8,378 |
| Fire | | | | | | | | | | |
| Emergency responses | 1,645 | 1,770 | 1,566 | 2,089 | 2,147 | 2,254 | 2,187 | 2,262 | 2,642 | 2,974 |
| Fires extinguished | 81 | 166 | 139 | 59 | 113 | 136 | 179 | 172 | 156 | 161 |
| Inspections | 1,164 | 1,103 | 1,223 | 1,525 | 1,687 | 1,684 | 1,614 | 1,880 | 1,756 | 1,685 |
| Refuse Collection | | | | | | | | | | |
| Refuse collected (tons per day) | 30 | 36 | 37 | - | - | - | - | - | 40 | 40 |
| Other Public Works | | | | | | | | | | |
| Street resurfacing (miles) | 13 | 2 | 1 | 2 | 2 | 2 | 2 | 2 | 3 | 4 |
| Potholes repaired | 462 | 482 | 466 | 805 | 318 | 331 | 915 | 612 | 817 | 897 |
| Parks and recreation | | | | | | | | | | |
| Athletic field permits issued | 145 | 115 | - | - | - | - | - | - | - | - |
| Water | | | | | | | | | | |
| New connections | 14 | 13 | 13 | 7 | 18 | 52 | 91 | 81 | 159 | 52 |
| Water main breaks | 41 | 20 | 20 | 30 | 19 | 58 | 53 | 40 | 51 | 39 |
| Average daily consumption (millions of gallons) | 8.97 | 9.14 | 9.14 | 9.00 | 9.86 | 31.00 | 7.38 | 7.63 | 8.28 | 7.78 |
| Peak daily consumption (millions of gallons) | 12.93 | 12.02 | 12.02 | 12.77 | 14.19 | 17.55 | 16.09 | 17.33 | 12.65 | 15.08 |
| Wastewater | | | | | | | | | | |
| Average daily sewage treatment (millions of gallons) | 3.61 | 3.85 | 3.85 | 3.86 | 3.03 | 3.23 | 3.91 | 3.97 | 3.53 | 3.37 |

Sources: Various City departments.

CITY OF GRIFFIN, GEORGIA

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

| Function/Program | Fiscal Year | | | | | | | | | |
|---|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Police | | | | | | | | | | |
| Stations | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | 2 |
| Zone officers | 56 | 56 | 52 | 45 | 87 | 80 | 80 | 80 | 60 | 82 |
| Patrol units | 55 | 74 | 70 | 66 | 100 | 100 | 90 | 90 | 69 | 86 |
| Fire stations | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| Public works | | | | | | | | | | |
| Streets (miles) | 140 | 140 | 138 | 140 | 140 | 140 | 139 | 140 | 139 | 139 |
| Streetlights | 879 | 879 | 879 | 879 | 879 | 879 | 1,143 | 1,174 | 1,180 | 1,425 |
| Traffic signals | 58 | 76 | 58 | 69 | 65 | 65 | 65 | 40 | 65 | 65 |
| Parks and recreation | | | | | | | | | | |
| Acreage | 210 | 210 | 210 | 194 | 200 | 200 | 200 | 200 | 200 | 200 |
| Playgrounds | 5 | 5 | 4 | 5 | 5 | 5 | 5 | 5 | 4 | 4 |
| Water | | | | | | | | | | |
| Water mains (miles) | 212 | 212 | 212 | 213 | 213 | 213 | 212 | 212 | 204 | 226 |
| Fire hydrants | 1,240 | 1,426 | 1,130 | 1,130 | 1,130 | 1,130 | 1,394 | 1,394 | 1,148 | 1,172 |
| Storage capacity (thousands of gallons) | 700 | 750 | 500 | 500 | 500 | 500 | 500 | 1,100 | 1,100 | 1,100 |
| Wastewater | | | | | | | | | | |
| Sanitary sewers (miles) | 232 | 233 | 234 | 231 | 254 | 254 | 254 | 237 | 237 | 232 |
| Storm sewers (miles) | 64 | 65 | 67 | 80 | 67 | 67 | 67 | 63 | 77 | 64 |
| Treatment capacity (thousands of gallons) | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 9.50 | 6.75 | 6.75 | 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, 2022, and the related notes to the financial statements, which collectively comprise City of Griffin, Georgia's basic financial statements, and have issued our report thereon dated April 11, 2023

Report on 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 opinion 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Griffin, Georgia's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Macon, Georgia
April 11, 2023



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

Opinion on Each Major Federal Program

We have audited **City of Griffin, Georgia's** (the "City") compliance with the types of compliance requirements described as subject to audit 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, 2022. 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.

In our opinion, City of Griffin, Georgia 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, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However material weaknesses or significant deficiencies may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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
April 11, 2023

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| Federal Grantor/Pass-through Grantor/Program Title | Assistance Listing 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 | 130010333z230 | \$ 77,351 | \$ - |
| Federal Highway Administration - Highway Planning and Construction | 20.205 | P.I. No. 0016076 | 51,378 | - |
| Total Highway Planning and Construction Cluster | | | <u>128,729</u> | <u>-</u> |
| | | | | |
| Airport Improvement Program | 20.106 | AP022-90AR-37(255) | 32,000 | - |
| Airport Improvement Program | 20.106 | AP021-9041-34(255) | 7,860,497 | - |
| Airport Improvement Program | 20.106 | AP022-90CR-36(255) | 13,000 | - |
| Total U.S. Department of Transportation | | | <u>8,034,226</u> | <u>-</u> |
| | | | | |
| <u>Department of Justice</u> | | | | |
| 2020 COPS Hiring Program 2020 | 16.710 | 2020UMWX0233 | 115,289 | - |
| Total Department of Justice | | | <u>115,289</u> | <u>-</u> |
| | | | | |
| <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-DW2019032 | 1,508,397 | - |
| Capitalization Grants for Clean Water State Revolving Funds | 66.458 | GEFA-DW2020038 | 2,875,731 | - |
| Capitalization Grants for Clean Water State Revolving Funds | 66.458 | GEFA-CW2020030 | 7,549,608 | - |
| Capitalization Grants for Clean Water State Revolving Funds | 66.458 | GEFA-CW2019017 | 1,658,292 | - |
| Total U.S. Environmental Protection Agency | | | <u>13,592,028</u> | <u>-</u> |
| | | | | |
| <u>Georgia Department of Community Affairs</u> | | | | |
| Community Development Block Grant 2020 | 14.228 | 20p-x-126-2-6135 | 619,361 | - |
| Community Development Block Grant 2021 | 14.228 | 21p-x-126-2-6218 | 50,147 | - |
| Total Georgia Department of Community Affairs | | | <u>669,508</u> | <u>-</u> |
| | | | | |
| <u>Department of Treasury</u> | | | | |
| Coronavirus Relief Fund ("CSLFRF ARPA") | 21.027 | N/A | 2,392,072 | - |
| Total Department of Treasury | | | <u>2,392,072</u> | <u>-</u> |
| | | | | |
| Total Expenditures of Federal Awards | | | <u>\$ 24,803,123</u> | <u>\$ -</u> |

CITY OF GRIFFIN, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2022

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, 2022.

NOTE 3. NON-CASH AWARDS

The City did not receive non-cash federal awards during the year ended June 30, 2022.

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the Financial Statements: Unmodified
Audited were prepared in accordance with GAAP:

Internal control over financial reporting:

Material weaknesses identified? Yes No

Significant deficiencies identified not considered
to be material weaknesses?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

Material weaknesses identified? Yes No

Significant deficiencies identified not considered
to be material weaknesses?

Yes 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 2CFR 200.516 (a)?

Yes No

Identification of major program:

AL Number

Name of Federal Program or Cluster

20.106

U.S. Department of Transportation
Airport Improvement Program

21.027

Department of Treasury
Coronavirus Relief Fund ("CSLFRF ARPA")

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

\$750,000

Auditee qualified as low-risk auditee?

Yes No

CITY OF GRIFFIN, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022**

STATUS OF PRIOR YEAR AUDIT FINDINGS

None reported.