

CITY OF METTER, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

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LANIER, DEAL, PROCTOR & BLOSER

WILLIAM RUSSELL LANIER, CPA
RICHARD N. DEAL, CPA, CGMA
KAY S. PROCTOR, CPA, CFE, CGMA
WILLIAM BLAKE BLOSER, CPA
TIFFANY D. JENKINS, CPA, CGMA
RICHARD N. DEAL II, CPA

CERTIFIED PUBLIC ACCOUNTANTS
201 SOUTH ZETTEROWER AVENUE
P.O. BOX 505
STATESBORO, GEORGIA 30459
PHONE (912) 489-8756
FAX (912) 489-1243

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
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PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Metter, Georgia

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Metter, Georgia, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Regional Drug Task Force special revenue fund and the American Rescue Plan Act special revenue 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Metter, Georgia, 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.

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 of Metter, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Metter, Georgia'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 of Metter, Georgia'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 5–12 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 Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Metter, Georgia's basic financial statements. The accompanying combining and individual fund financial statements and schedules, schedule of projects paid with special sales tax proceeds, CDBG source and application of funds schedule, and CDBG project cost schedule are presented for purposes of additional analysis and are 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 and individual fund financial statements and schedules, the schedule of projects paid with special sales tax proceeds, CDBG source and application of funds schedule, and CDBG project cost schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2023 on our consideration of the City of Metter, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Metter, Georgia'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 of Metter, Georgia's internal control over financial reporting and compliance.

Lanier, Deal, Proctor & Bloser

Statesboro, Georgia
June 26, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Metter, Georgia's (the City's) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the year ended June 30, 2022. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The City had total net position (assets exceeded liabilities) of \$29,395,483 at June 30, 2022.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$22,647,000 includes property and equipment, net of accumulated depreciation, reduced by outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$2,935,080 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$3,813,003 represents the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of \$4,965,409, compared to \$4,020,553 for the year ended June 30, 2021. This is a \$944,856 (or 23.5%) increase.
- At June 30, 2022, unassigned fund balance for the General Fund was \$1,504,001, or 39.2% of total General Fund expenditures.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference between them 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 as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other non-financial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales and property taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and

charges. Governmental activities include general government, public safety, public works, health and welfare, culture and recreation, and housing and development. Business-type activities include the water and sewer system and sanitation services.

The government-wide financial statements are presented on pages 13 and 14 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all other (non-major) funds are combined into a single, aggregated presentation. More detailed information for individual funds is provided in a later section of this report.

The City has two kinds of funds:

1. Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15-22 of this report.

2. Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds. The enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City for water and sewer utilities and sanitation services.

The basic enterprise fund financial statements are presented on pages 23-25 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 26 of this report.

Financial Analysis of the City as a Whole

The City's net position at June 30, 2022 was \$29,395,483, compared to the year ended June 30, 2021 figure of \$28,092,756. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Assets:						
Current assets	\$ 5,672,169	\$ 4,331,879	\$ 1,990,045	\$ 1,648,719	\$ 7,662,214	\$ 5,980,598
Capital assets	<u>17,651,549</u>	<u>17,559,629</u>	<u>6,893,734</u>	<u>6,949,491</u>	<u>24,545,283</u>	<u>24,509,120</u>
Total assets	<u>23,323,718</u>	<u>21,891,508</u>	<u>8,883,779</u>	<u>8,598,210</u>	<u>32,207,497</u>	<u>30,489,718</u>
Liabilities:						
Current liabilities	819,481	376,755	332,837	333,740	1,152,318	710,495
Long-term liabilities	<u>656,849</u>	<u>627,790</u>	<u>1,002,847</u>	<u>1,058,677</u>	<u>1,659,696</u>	<u>1,686,467</u>
Total liabilities	<u>1,476,330</u>	<u>1,004,545</u>	<u>1,335,684</u>	<u>1,392,417</u>	<u>2,812,014</u>	<u>2,396,962</u>
Net position:						
Net investment in capital assets	16,885,389	16,871,995	5,762,011	5,742,891	22,647,400	22,614,886
Restricted	2,935,080	2,531,257	-	-	2,935,080	2,531,257
Unrestricted	<u>2,026,919</u>	<u>1,483,711</u>	<u>1,786,084</u>	<u>1,462,902</u>	<u>3,813,003</u>	<u>2,946,613</u>
Total net position	<u>\$ 21,847,388</u>	<u>\$ 20,886,963</u>	<u>\$ 7,548,095</u>	<u>\$ 7,205,793</u>	<u>\$ 29,395,483</u>	<u>\$ 28,092,756</u>

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities, and is an indication of the ability to pay current obligations. For June 30, 2022, the current ratio for governmental activities is 6.9 and 6.0 for business type activities. For the year ended June 30, 2021, the current ratio for governmental activities was 11.5, and for business type activities 4.9. For the City, overall, the current ratio for June 30, 2022 is 6.6, compared to 8.4 for the year ended June 30, 2021.

The City reported positive balances in net position for both governmental and business-type activities. Net position increased by \$960,425 for governmental activities and increased by \$342,302 for business-type activities. The City's overall financial position increased \$1,302,727 during the year ended June 30, 2022.

Note that 77.3% of the governmental activities' net position was invested in capital assets. The City uses these capital assets to provide services to its citizens. On the business type activities, the City has spent 76.3% of its net position on capital assets. Capital assets in the business type activities provide utility services, which generate revenues for this fund. Expansion of these systems is necessary for the continued growth of the City and for its financial position, as this utility system generates considerable revenue for all the City's operations. 77.0% of the City's total net position was included in capital assets.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
For the Year Ended June 30, 2022

City of Metter, Georgia

The following table provides a summary of the City's changes in net position:

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program:						
Charges for services	\$ 638,606	\$ 509,200	\$ 2,094,575	\$ 2,166,262	\$ 2,733,181	\$ 2,675,462
Operating grants	1,288,475	994,836	-	-	1,288,475	994,836
Capital grants and contributions	1,143,363	966,853	39,969	-	1,183,332	966,853
General:						
Taxes	2,874,351	2,746,754	-	-	2,874,351	2,746,754
Other	67,110	39,581	1,528	13,787	68,638	53,368
Total revenues	<u>6,011,905</u>	<u>5,257,224</u>	<u>2,136,072</u>	<u>2,180,049</u>	<u>8,147,977</u>	<u>7,437,273</u>
Program Expenses:						
General government	1,083,712	1,009,746	-	-	1,083,712	1,009,746
Municipal court	21,314	21,407	-	-	21,314	21,407
Public safety	2,477,875	2,490,522	-	-	2,477,875	2,490,522
Public works	926,310	851,645	-	-	926,310	851,645
Health and welfare	24,967	19,262	-	-	24,967	19,262
Culture and recreation	67,561	67,009	-	-	67,561	67,009
Housing and development	448,151	341,549	-	-	448,151	341,549
Interest	19,722	22,413	-	-	19,722	22,413
Water and sewer	-	-	1,293,691	1,081,032	1,293,691	1,081,032
Sanitation	-	-	481,947	477,207	481,947	477,207
Total expenses	<u>5,069,612</u>	<u>4,823,553</u>	<u>1,775,638</u>	<u>1,558,239</u>	<u>6,845,250</u>	<u>6,381,792</u>
Excess (deficiency)	942,293	433,671	360,434	621,810	1,302,727	1,055,481
Transfers	18,132	189,926	(18,132)	(189,926)	-	-
Change in net position	960,425	623,597	342,302	431,884	1,302,727	1,055,481
Beginning net position	<u>20,886,963</u>	<u>20,263,366</u>	<u>7,205,793</u>	<u>6,773,909</u>	<u>28,092,756</u>	<u>27,037,275</u>
Ending net position	<u>\$ 21,847,388</u>	<u>\$ 20,886,963</u>	<u>\$ 7,548,095</u>	<u>\$ 7,205,793</u>	<u>\$ 29,395,483</u>	<u>\$ 28,092,756</u>

GOVERNMENTAL REVENUES

The City is heavily reliant on taxes to support governmental activities operations. In total, taxes make up 47.8% of revenues, as compared to 52.2% for the year ended June 30, 2021. Sales taxes provided \$879,443 or 14.6% of the City's total governmental activities revenues, as compared to 14.4% for the year ended June 30, 2021. Property taxes are the largest revenue source totaling \$1,150,350 of revenues or 19.1% of total revenues as compared to 22.0% for the year ended June 30, 2021.

Capital grants include \$574,011 in special purpose local option sales taxes (SPLOST) received from Candler County for capital projects and \$460,464 in transportation special purpose local option sales taxes (T-SPLOST). SPLOST and T-SPLOST revenue provided 17.2% of the City's total governmental revenues as compared to 16.5% for the year ended June 30, 2021.

Also, note that program revenues covered 60.6% for the year ended June 30, 2022, and 51.2% for the year ended June 30, 2021 of governmental operating expenses. This means that the government's taxpayers and the City's other general governmental revenues funded the remaining 39.4% for the year ended June 30, 2022, and 48.8% for the year ended June 30, 2021 of the governmental activities. As this documents, the general economy and the local businesses have a major impact on the City's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety function comprises 48.9% of the City's total governmental activity expenses as compared to 51.6% for the year ended June 30, 2021. The public works function comprises 18.3% of the total governmental activity expenses as compared to 17.7% for the year ended June 30, 2021. Of the total \$5,069,612 of governmental activity expenses, depreciation is \$959,215 or 18.9% of that total.

The following table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

	Governmental Activities			
	June 30, 2022		June 30, 2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 1,083,712	\$ 945,842	\$ 1,009,746	\$ 902,407
Municipal court	21,314	21,314	21,407	21,407
Public safety	2,477,875	1,231,072	2,490,522	1,258,657
Public works	926,310	(651,653)	851,645	(186,428)
Health and welfare	24,967	24,967	19,262	19,262
Culture and recreation	67,561	67,126	67,009	66,794
Housing and development	448,151	340,778	341,549	248,152
Interest	19,722	19,722	22,413	22,413
Total	<u>\$ 5,069,612</u>	<u>\$ 1,999,168</u>	<u>\$ 4,823,553</u>	<u>\$ 2,352,664</u>

For the year ended June 30, 2022, all functions required a subsidy from general revenues except for public works.

BUSINESS-TYPE ACTIVITIES
Revenues vs. Expenses

The City's enterprise funds consist of the water and sewer system fund and sanitation fund. Overall, the change in net position was an increase of \$342,302 as compared to an increase of \$431,884 for the year ended June 30, 2021.

Financial Analysis of the City's Funds

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$4,965,409, as compared to \$4,020,553 at June 30, 2021. Of this year-end total, \$1,504,001 was unassigned indicating availability for continuing City service requirements. \$1,701,428 in fund balance is restricted for capital projects, \$1,015,831 is restricted for the regional drug task force, \$282 is restricted for pandemic relief, \$158,325 is restricted for road projects and \$54,779 is restricted for tourism.

The total ending fund balances of governmental funds show a increase for the year ended June 30, 2022 of \$944,856 or 23.5% compared to an increase for the year ended June 30, 2021 of \$514,057, or 14.7%.

Major Governmental Funds

General Fund - The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$554,996 or 34.7% as compared to a \$297,272 or 22.8% increase for the year ended June 30, 2021.

The General Fund's ending unassigned fund balance of \$1,504,001 is considered adequate, representing the equivalent of 39.2% of annual expenditures as compared to 28.2% at June 30, 2021.

Regional Drug Task Force Fund – During the year ended June 30, 2016, the City assumed the operations of the Southeastern Regional Drug Task Force. The Task Force combines Georgia Bureau of Investigation resources with local law enforcement assistance to provide drug enforcement services and investigations within the communities of the Southeastern Regional district. The City serves as headquarters for the Southeastern Regional office. The Task Force opened bank accounts under the City's name and received grant funding for which the City is listed as subgrantee on the award. The amount expended for the year ended June 30, 2022 on public safety totaled \$378,852. Revenue recognized in this fund totaled \$500,147 for the year ended June 30, 2022.

American Rescue Plan Act Fund – During the year ended June 30, 2022, the City began receiving funding for Local Fiscal Recovery through the American Rescue Plan Act of 2021. The City recognizes revenue as the funds are expended and any unspent receipts are considered unearned revenue. Revenue recognized in this fund for Local Fiscal Recovery totaled \$432,259 for the year ended June 30, 2022 and was expended for utility customer account credits, personnel expenditures and capital outlay.

T-SPLOST Fund – The amount expended for the year ended June 30, 2022 for road projects totaled \$406,837.

2018 SPLOST Fund – The amount expended for the year ended June 30, 2022 on projects approved in this SPLOST referendum included the following:

- Acquisition of new vehicles and equipment (\$127,851)
- Economic development projects (\$3,855)
- Public utilities rehabilitation and expansion (\$25,534)
- Drainage improvements (\$45,345)

The City recognized \$574,011 for its share of the Candler County SPLOST. This amount compares to \$495,610 recognized in the year ended June 30, 2021.

The Proprietary Fund

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above.

Budgetary Highlights – General Fund

Overall, the City recognized revenues equal to 108.3% of budgeted revenues in the final appropriated budget. Overall, the City recognized expenditures equal to \$510,132 less than, or 11.7% under budgeted expenditures in the final appropriated budget.

On the revenue side of the budget, tax revenue came in \$280,058 higher than the amount budgeted and intergovernmental revenue came in \$52,201 lower than the amount budgeted. In total, General Fund revenues came in \$302,522 more than the budgeted amount.

On the expenditure side, the financial administration budget was under spent by \$229,502. The fire budget was \$82,553 under spent.

Fund Balance increased by \$880,558 more than the amount budgeted.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2022 was \$17,651,549 and \$6,893,734, respectively, for a total of \$24,545,283. This net investment increased by 0.5% for governmental activities and decreased by 0.8% for business-type activities. The overall increase was 0.1% for the City as a whole. See Note 7 for additional information about changes in capital assets. The following table provides a summary of capital asset activity.

	Governmental Activities		Business Activities		Total Activities	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets:						
Land	\$ 525,603	\$ 525,603	\$ 492,280	\$ 492,280	\$ 1,017,883	\$ 1,017,883
Construction in progress	559,351	502,111	134,332	20,532	693,683	522,643
Total non-depreciable assets	1,084,954	1,027,714	626,612	512,812	1,711,566	1,540,526
Depreciable assets:						
Buildings	13,802,456	13,378,672	320,374	237,024	14,122,830	13,615,696
Land improvements	265,450	265,450	-	-	265,450	265,450
Water and sewer system	-	-	11,696,268	11,650,782	11,696,268	11,650,782
Machinery and equipment	4,041,501	3,882,852	1,647,703	1,601,639	5,689,204	5,484,491
Infrastructure	13,417,171	13,045,936	-	-	13,417,171	13,045,936
Total depreciable assets	31,526,578	30,572,910	13,664,345	13,489,445	45,190,923	44,062,355
Less accumulated depreciation	14,959,983	14,040,995	7,397,223	7,052,766	22,357,206	21,093,761
Book value - depreciable assets	16,566,595	16,531,915	6,267,122	6,436,679	22,833,717	22,968,594
Percentage depreciated	47%	46%	54%	52%	49%	48%
Total book value	\$ 17,651,549	\$ 17,559,629	\$ 6,893,734	\$ 6,949,491	\$ 24,545,283	\$ 24,509,120

At June 30, 2022, the depreciable capital assets for governmental activities were 47% depreciated, compared to 46% at June 30, 2021.

With the City's business type activities, 54% of the asset values were depreciated at June 30, 2022 and 52% at June 30, 2021.

Long-term Debt

At June 30, 2022, the City had notes outstanding. During the year ended June 30, 2022, the City's notes payable increased by \$3,649 or 0.2%. Total compensated absences payable increased 10.5% from the June 30, 2021 balance.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total Activities	
	2022	2021	2022	2021	2022	2021
Notes Payable	\$ 766,160	\$ 687,634	\$ 1,131,723	\$ 1,206,600	\$ 1,897,883	\$ 1,894,234
Compensated Absences	82,088	75,594	29,363	25,226	111,451	100,820
Total	<u>\$ 848,248</u>	<u>\$ 763,228</u>	<u>\$ 1,161,086</u>	<u>\$ 1,231,826</u>	<u>\$ 2,009,334</u>	<u>\$ 1,995,054</u>

See Note 9 and 10 for additional information about the City's long-term debt.

Economic Conditions Affecting the City

The City is physically located in the eastern portion of the state of Georgia, approximately 175 miles southeast of the State capital, Atlanta, Georgia, and approximately 63 miles northwest of Savannah, the first planned city in the state. Metter is the county seat in Candler County, and its population makes up approximately 40% of the County's population. The County's land area is 247 square miles with 15.7 persons per square mile. The city of Metter is 7.39 square miles.

As of May 2023 Candler County's unemployment rate averaged 2.6% (Georgia Department of Labor), compared to the state's average of 3.4% (GDOL).

The City's population is 3,969 (U.S. Bureau of Census). Since the City relies primarily on property and sales taxes for its operating revenue, changes in the economy definitely affect these revenue streams. Since sales taxes are an "elastic revenue stream" in a sluggish economy, the sales tax revenues are reduced immediately. Property taxes are considered "inelastic" in the short-term; this revenue stream is more stable. Fortunately, for the City, because of its revenue stream makeup, it is able to survive financially in a slow economy.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City Manager at City Hall at 49 South Rountree, Post Office Box 74, Metter, Georgia, 30439, or call (912) 685-2527.

CITY OF METTER, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 5,072,618	\$ 1,554,432	\$ 6,627,050	-
Certificates of deposit	205,656	67,099	272,755	-
Receivables:				
Taxes	107,862	-	107,862	-
Accounts	18,401	192,908	211,309	-
Intergovernmental	339,323	-	339,323	-
Internal balances	(147,140)	147,140	-	-
Prepaid items	75,449	28,466	103,915	-
Total Current Assets	<u>5,672,169</u>	<u>1,990,045</u>	<u>7,662,214</u>	<u>-</u>
Capital Assets:				
Nondepreciable capital assets	1,084,954	626,612	1,711,566	-
Depreciable capital assets, net	16,566,595	6,267,122	22,833,717	-
Total Capital Assets	<u>17,651,549</u>	<u>6,893,734</u>	<u>24,545,283</u>	<u>-</u>
Total Assets	<u>23,323,718</u>	<u>8,883,779</u>	<u>32,207,497</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	248,857	65,043	313,900	-
Unearned revenue	307,484	-	307,484	-
Customer deposits	-	109,555	109,555	-
Compensated absences	16,418	5,873	22,291	-
Notes payable	174,981	152,366	327,347	-
Other	71,741	-	71,741	-
Total Current Liabilities	<u>819,481</u>	<u>332,837</u>	<u>1,152,318</u>	<u>-</u>
Long-Term Liabilities:				
Compensated absences (net of current portion)	65,670	23,490	89,160	-
Notes payable (net of current portion)	591,179	979,357	1,570,536	-
Total Long-Term Liabilities	<u>656,849</u>	<u>1,002,847</u>	<u>1,659,696</u>	<u>-</u>
Total Liabilities	<u>1,476,330</u>	<u>1,335,684</u>	<u>2,812,014</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	16,885,389	5,762,011	22,647,400	-
Restricted for:				
Capital projects	1,789,517	-	1,789,517	-
Program purposes	1,145,563	-	1,145,563	-
Unrestricted	2,026,919	1,786,084	3,813,003	-
Total Net Position	<u>\$ 21,847,388</u>	<u>\$ 7,548,095</u>	<u>\$ 29,395,483</u>	<u>-</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Program/Function	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities:								
General government	\$ 1,083,712	\$ 91,278	\$ 46,592	-	\$ (945,842)		\$ (945,842)	
Judicial	21,314	-	-	-	(21,314)		(21,314)	
Public safety	2,477,875	402,456	844,347	-	(1,231,072)		(1,231,072)	
Public works	926,310	115,405	337,383	\$ 1,125,175	651,653		651,653	
Health and welfare	24,967	-	-	-	(24,967)		(24,967)	
Culture and recreation	67,561	435	-	-	(67,126)		(67,126)	
Housing and development	448,151	29,032	60,153	18,188	(340,778)		(340,778)	
Interest	19,722	-	-	-	(19,722)		(19,722)	
Total Governmental Activities	5,069,612	638,606	1,288,475	1,143,363	(1,999,168)		(1,999,168)	
Business-Type Activities:								
Water and sewer	1,293,691	1,445,275	-	39,969	-	\$ 191,553	191,553	
Sanitation	481,947	649,300	-	-	-	167,353	167,353	
Total Business-Type Activities	1,775,638	2,094,575	-	39,969	-	358,906	358,906	
Total Primary Government	\$ 6,845,250	2,733,181	\$ 1,288,475	\$ 1,183,332	(1,999,168)	358,906	(1,640,262)	
Component Unit								
Downtown Development Authority of Metter								
	-	-	-	-				-
General Revenues								
Property taxes levied for:								
					1,150,350	-	1,150,350	-
					879,443	-	879,443	-
					337,902	-	337,902	-
					292,929	-	292,929	-
					71,742	-	71,742	-
					141,985	-	141,985	-
					3,173	1,528	4,701	-
					63,937	-	63,937	-
					2,941,461	1,528	2,942,989	-
					18,132	(18,132)	-	-
					2,959,593	(16,604)	2,942,989	-
					Change in Net Position	342,302	1,302,727	-
					Net Position, July 1, 2021	7,205,793	28,092,756	-
					Net Position, June 30, 2022	\$ 7,548,095	\$ 29,395,483	-

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Regional Drug Task Force	American Rescue Plan Act	T-SPLOST	2018 SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,945,887	\$ 1,018,364	\$ 304,066	\$ 107,212	\$ 1,334,870	\$ 362,219	\$ 5,072,618
Certificates of deposit	205,656	-	-	-	-	-	205,656
Receivables:							
Taxes	101,685	-	-	-	-	6,177	107,862
Accounts	18,401	-	-	-	-	-	18,401
Intergovernmental	107,984	116,443	-	10,566	104,330	-	339,323
Interfund	80,918	-	23,145	112	-	-	104,175
Prepaid items	71,014	4,178	-	-	-	257	75,449
TOTAL ASSETS	\$ 2,531,545	\$ 1,138,985	\$ 327,211	\$ 117,890	\$ 1,439,200	\$ 368,653	\$ 5,923,484
LIABILITIES							
Accounts payable	\$ 87,553	\$ 67,780	-	\$ 29,801	\$ 23,859	\$ 39,864	\$ 248,857
Unearned revenue	3,700	-	\$ 303,784	-	-	-	307,484
Due to other funds	170,397	15,928	23,145	-	36,926	4,919	251,315
Other	36,473	35,268	-	-	-	-	71,741
Total liabilities	298,123	118,976	326,929	29,801	60,785	44,783	879,397
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	78,678	-	-	-	-	-	78,678
FUND BALANCE							
Nonspendable	71,014	4,178	-	-	-	257	75,449
Restricted	124,415	1,015,831	282	88,089	1,378,415	323,613	2,930,645
Assigned	455,314	-	-	-	-	-	455,314
Unassigned	1,504,001	-	-	-	-	-	1,504,001
Total fund balance	2,154,744	1,020,009	282	88,089	1,378,415	323,870	4,965,409
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,531,545	\$ 1,138,985	\$ 327,211	\$ 117,890	\$ 1,439,200	\$ 368,653	\$ 5,923,484

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

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

Total Governmental Fund Balances		\$ 4,965,409
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	\$ 32,611,532	
Less accumulated depreciation	<u>(14,959,983)</u>	17,651,549
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds:		
Property taxes		78,678
Long-term liabilities, including notes payable and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds but are reported on the statement of net position:		
Notes payable	(766,160)	
Compensated absences	<u>(82,088)</u>	<u>(848,248)</u>
Net Position Of Governmental Activities		<u>\$ 21,847,388</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General	Regional Drug Task Force	American Rescue Plan Act	T-SPLOST	2018 SPLOST	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 2,793,940	-	-	-	-	\$ 71,742	\$ 2,865,682
Licenses and permits	90,609	-	-	-	-	-	90,609
Charges for services	175,104	-	-	-	-	-	175,104
Intergovernmental	549,707	\$ 411,391	\$ 432,259	\$ 460,464	\$ 574,011	-	2,427,832
Fines and forfeitures	284,138	88,756	-	-	-	-	372,894
Interest	2,883	-	282	26	1,110	213	4,514
Miscellaneous	44,711	-	-	-	-	21,892	66,603
Total revenues	<u>3,941,092</u>	<u>500,147</u>	<u>432,541</u>	<u>460,490</u>	<u>575,121</u>	<u>93,847</u>	<u>6,003,238</u>
EXPENDITURES							
Current:							
General government	752,241	-	25,018	-	-	-	777,259
Judicial	21,314	-	-	-	-	-	21,314
Public safety	1,854,381	378,852	49,519	-	-	-	2,282,752
Public works	780,855	-	11,304	-	-	-	792,159
Health and welfare	22,825	-	-	-	-	-	22,825
Culture and recreation	48,176	-	-	-	-	-	48,176
Housing and development	345,899	-	2,153	-	-	107,676	455,728
Capital outlay:							
Public safety	-	-	18,936	-	-	112,553	131,489
Public works	-	-	147,579	406,837	45,345	-	599,761
Housing and development	-	-	-	-	3,855	-	3,855
Debt service							
Principal	10,436	-	-	-	109,915	-	120,351
Interest	1,786	-	-	-	17,936	-	19,722
Total expenditures	<u>3,837,913</u>	<u>378,852</u>	<u>254,509</u>	<u>406,837</u>	<u>177,051</u>	<u>220,229</u>	<u>5,275,391</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>103,179</u>	<u>121,295</u>	<u>178,032</u>	<u>53,653</u>	<u>398,070</u>	<u>(126,382)</u>	<u>727,847</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from notes payable	198,877	-	-	-	-	-	198,877
Transfers in	265,151	-	-	-	-	12,211	277,362
Transfers out	(12,211)	(43,735)	(177,750)	-	(25,534)	-	(259,230)
Total other financing sources (uses)	<u>451,817</u>	<u>(43,735)</u>	<u>(177,750)</u>	<u>-</u>	<u>(25,534)</u>	<u>12,211</u>	<u>217,009</u>
NET CHANGE IN FUND BALANCE	554,996	77,560	282	53,653	372,536	(114,171)	944,856
FUND BALANCE, JULY 1, 2021	<u>1,599,748</u>	<u>942,449</u>	<u>-</u>	<u>34,436</u>	<u>1,005,879</u>	<u>438,041</u>	<u>4,020,553</u>
FUND BALANCE, JUNE 30, 2022	<u>\$ 2,154,744</u>	<u>\$ 1,020,009</u>	<u>\$ 282</u>	<u>\$ 88,089</u>	<u>\$ 1,378,415</u>	<u>\$ 323,870</u>	<u>\$ 4,965,409</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

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

Net Change In Fund Balance - Governmental Funds		\$	944,856
<p>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 as depreciation expense. This is the amount by which capitalized capital outlays differed from depreciation expense in the current period.</p>			
	Depreciation expense	\$ (959,215)	
	Capital outlays	<u>1,051,135</u>	91,920
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p>			
	Property taxes:		
	Unavailable revenue at 6/30/22	78,678	
	Unavailable revenue at 6/30/21	<u>(70,009)</u>	8,669
<p>The issuance of notes payable is reported as an other financing source on the fund level financial statement and as a liability on the statement of net position.</p>			
			(198,877)
<p>Repayment of notes payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>			
			120,351
<p>Compensated absences 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.</p>			
	Liability at 6/30/22	(82,088)	
	Liability at 6/30/21	<u>75,594</u>	<u>(6,494)</u>
Change In Net Position of Governmental Activities			<u>\$ 960,425</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 2,511,200	\$ 2,513,882	\$ 2,793,940	\$ 280,058
Licenses and permits	85,750	85,750	90,609	4,859
Charges for services	131,000	183,055	175,104	(7,951)
Intergovernmental	566,803	601,908	549,707	(52,201)
Fines and forfeitures	205,000	205,000	284,138	79,138
Interest	1,400	1,400	2,883	1,483
Miscellaneous	46,800	47,575	44,711	(2,864)
Total revenues	<u>3,547,953</u>	<u>3,638,570</u>	<u>3,941,092</u>	<u>302,522</u>
EXPENDITURES				
Current:				
General government:				
Governing body	91,288	91,288	75,345	15,943
Financial administration	846,831	846,831	617,329	229,502
General government buildings	66,638	66,638	59,567	7,071
Total general government	<u>1,004,757</u>	<u>1,004,757</u>	<u>752,241</u>	<u>252,516</u>
Judicial - Municipal court	<u>21,900</u>	<u>21,900</u>	<u>21,314</u>	<u>586</u>
Public safety:				
Police	1,245,433	1,245,433	1,150,771	94,662
Fire	642,372	642,372	559,819	82,553
Animal control	122,234	145,607	143,791	1,816
Total public safety	<u>2,010,039</u>	<u>2,033,412</u>	<u>1,854,381</u>	<u>179,031</u>
Public works:				
Roadways and walkways	628,575	721,902	703,201	18,701
Maintenance and shop	72,488	79,771	77,654	2,117
Total public works	<u>701,063</u>	<u>801,673</u>	<u>780,855</u>	<u>20,818</u>
Health and welfare:				
Community center	18,425	18,425	16,225	2,200
Public education	6,600	6,600	6,600	-
Total health and welfare	<u>25,025</u>	<u>25,025</u>	<u>22,825</u>	<u>2,200</u>
Culture and recreation - Libraries	<u>48,199</u>	<u>48,199</u>	<u>48,176</u>	<u>23</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Housing and development:				
Building inspections	15,465	15,465	1,260	14,205
Economic development	260,647	302,844	291,897	10,947
Tourism	41,236	41,236	11,430	29,806
Airport	41,312	41,312	41,312	-
Total housing and development	<u>358,660</u>	<u>400,857</u>	<u>345,899</u>	<u>54,958</u>
Debt service:				
Principal	\$ 10,436	10,436	10,436	-
Interest	1,786	1,786	1,786	-
Total debt service	<u>12,222</u>	<u>12,222</u>	<u>12,222</u>	<u>-</u>
Total expenditures	<u>4,181,865</u>	<u>4,348,045</u>	<u>3,837,913</u>	<u>510,132</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(633,912)</u>	<u>(709,475)</u>	<u>103,179</u>	<u>812,653</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	2,500	2,500	-	(2,500)
Proceeds from notes payable	160,000	160,000	198,877	38,877
Transfers in	221,412	221,412	265,151	43,739
Transfers out	-	-	(12,211)	(12,211)
Total other financing sources (uses)	<u>383,912</u>	<u>383,912</u>	<u>451,817</u>	<u>67,905</u>
NET CHANGE IN FUND BALANCE	<u>\$ (250,000)</u>	<u>\$ (325,563)</u>	554,996	<u>\$ 880,558</u>
FUND BALANCE, JULY 1, 2021			<u>1,599,748</u>	
FUND BALANCE, JUNE 30, 2022			<u>\$ 2,154,744</u>	

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - REGIONAL DRUG TASK FORCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 357,610	\$ 411,391	\$ 53,781
Fines and forfeitures	-	88,756	88,756
Total revenues	<u>357,610</u>	<u>500,147</u>	<u>142,537</u>
EXPENDITURES			
Public Safety	<u>357,610</u>	<u>378,852</u>	<u>(21,242)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	121,295	121,295
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(43,735)</u>	<u>(43,735)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	<u>77,560</u>	<u><u>\$ 77,560</u></u>
FUND BALANCE, JULY 1, 2021		<u>942,449</u>	
FUND BALANCE, JUNE 30, 2022		<u><u>\$ 1,020,009</u></u>	

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 737,731	\$ 432,259	\$ (305,472)
Interest	-	208	282	74
Total revenues	<u>-</u>	<u>737,939</u>	<u>432,541</u>	<u>(305,398)</u>
EXPENDITURES				
Current:				
General government	-	329,083	25,018	304,065
Public safety	-	49,519	49,519	-
Public works	-	11,304	11,304	-
Housing and development	-	2,153	2,153	-
Capital Outlay:				
Public safety	-	20,551	18,936	1,615
Public works	-	147,579	147,579	-
Total expenditures	<u>-</u>	<u>560,189</u>	<u>254,509</u>	<u>305,680</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	177,750	178,032	282
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(177,750)	(177,750)	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	282	<u>\$ 282</u>
FUND BALANCE, JULY 1, 2021			<u>-</u>	
FUND BALANCE, JUNE 30, 2022			<u>\$ 282</u>	

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Water and Sewer	Sanitation	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,220,456	\$ 333,976	\$ 1,554,432
Certificates of deposit	67,099	-	67,099
Accounts receivable	126,786	66,122	192,908
Interfund receivable	140,565	92,114	232,679
Prepaid insurance	17,882	10,584	28,466
Total Current Assets	<u>1,572,788</u>	<u>502,796</u>	<u>2,075,584</u>
Capital Assets			
Land	492,280	-	492,280
Construction in progress	134,332	-	134,332
Water and sewer system	11,696,268	-	11,696,268
Buildings	284,781	35,593	320,374
Machinery and equipment	1,242,009	405,694	1,647,703
Less accumulated depreciation	(7,079,039)	(318,184)	(7,397,223)
Total Capital Assets	<u>6,770,631</u>	<u>123,103</u>	<u>6,893,734</u>
Total Assets	<u>8,343,419</u>	<u>625,899</u>	<u>8,969,318</u>
LIABILITIES			
Current Liabilities			
Accounts payable	55,565	9,478	65,043
Customer deposits	109,555	-	109,555
Compensated absences	3,157	2,716	5,873
Notes payable	113,435	38,931	152,366
Interfund payable	74,236	11,303	85,539
Total Current Liabilities	<u>355,948</u>	<u>62,428</u>	<u>418,376</u>
Long-Term Liabilities			
Compensated absences (net of current portion)	12,628	10,862	23,490
Notes payable (net of current portion)	917,589	61,768	979,357
Total Long-Term Liabilities	<u>930,217</u>	<u>72,630</u>	<u>1,002,847</u>
Total Liabilities	<u>1,286,165</u>	<u>135,058</u>	<u>1,421,223</u>
NET POSITION			
Net investment in capital assets	5,739,607	22,404	5,762,011
Unrestricted	1,317,647	468,437	1,786,084
Total Net Position	<u>\$ 7,057,254</u>	<u>\$ 490,841</u>	<u>\$ 7,548,095</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Water and Sewer	Sanitation	Total
OPERATING REVENUES			
Charges for services	\$ 1,341,770	\$ 636,261	\$ 1,978,031
Penalties	28,142	13,039	41,181
Other	75,363	-	75,363
Total operating revenues	<u>1,445,275</u>	<u>649,300</u>	<u>2,094,575</u>
OPERATING EXPENSES			
Salaries	271,110	202,743	473,853
Employee benefits	92,749	89,053	181,802
Professional and technical services	36,895	-	36,895
Purchased services	337,450	91,873	429,323
Materials and supplies	96,856	19,827	116,683
Depreciation	308,078	36,379	344,457
Other	129,436	37,239	166,675
Total operating expenses	<u>1,272,574</u>	<u>477,114</u>	<u>1,749,688</u>
OPERATING INCOME	<u>172,701</u>	<u>172,186</u>	<u>344,887</u>
NON-OPERATING REVENUE (EXPENSE)			
Interest income	1,223	305	1,528
Interest expense	(21,117)	(4,833)	(25,950)
Total non-operating revenue (expense)	<u>(19,894)</u>	<u>(4,528)</u>	<u>(24,422)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	152,807	167,658	320,465
Capital grants	-	-	-
Transfers in	155,406	47,878	203,284
Transfers out	(166,416)	(55,000)	(221,416)
CHANGE IN NET POSITION	141,797	160,536	302,333
NET POSITION, JULY 1, 2021	<u>6,875,488</u>	<u>330,305</u>	<u>7,205,793</u>
NET POSITION, JUNE 30, 2022	<u>\$ 7,017,285</u>	<u>\$ 490,841</u>	<u>\$ 7,508,126</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Water and Sewer	Sanitation	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,449,717	\$ 646,642	\$ 2,096,359
Cash payments to employees for services	(365,531)	(292,688)	(658,219)
Cash payments for goods and services	(596,644)	(171,050)	(767,694)
Net cash provided by operating activities	<u>487,542</u>	<u>182,904</u>	<u>670,446</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to general fund	(166,416)	(55,000)	(221,416)
Transfers from American Rescue Plan Act fund	129,872	47,878	177,750
Net cash provided (used) by noncapital financing activities	<u>(36,544)</u>	<u>(7,122)</u>	<u>(43,666)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(273,700)	(15,000)	(288,700)
Transfers from SPLOST funds	25,534	-	25,534
Capital grant	-	-	-
Proceeds from issuance of notes payable	93,226	-	93,226
Interest paid	(21,117)	(4,833)	(25,950)
Principal paid on long-term debt	(130,503)	(37,600)	(168,103)
Net cash provided (used) by capital and related financing activities	<u>(306,560)</u>	<u>(57,433)</u>	<u>(363,993)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in certificates of deposit	(693)	-	(693)
Interest received	1,223	305	1,528
Net cash provided by investing activities	<u>530</u>	<u>305</u>	<u>835</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	144,968	118,654	263,622
CASH AND CASH EQUIVALENTS, JULY 1, 2021	<u>1,035,519</u>	<u>215,322</u>	<u>1,250,841</u>
CASH AND CASH EQUIVALENTS, JUNE 30, 2022	<u>\$ 1,180,487</u>	<u>\$ 333,976</u>	<u>\$ 1,514,463</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 172,701	\$ 172,186	\$ 344,887
Adjustments:			
Depreciation	308,078	36,379	344,457
(Increase) decrease in operating assets:			
Accounts receivable	(2,493)	(2,658)	(5,151)
Interfund receivable	(58,335)	(33,284)	(91,619)
Prepaid items	308	(68)	240
Increase (decrease) in operating liabilities:			
Accounts payable	14,054	(62)	13,992
Accrued liabilities	(3,784)	(2,917)	(6,701)
Compensated absences payable	2,112	2,025	4,137
Interfund payable	48,185	11,303	59,488
Customer deposits	6,716	-	6,716
Net cash provided by operating activities	<u>\$ 487,542</u>	<u>\$ 182,904</u>	<u>\$ 670,446</u>

See accompanying notes to the basic financial statements.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

The City of Metter (the “City”) was incorporated in 1903. The City operates under a Council/Manager form of government and provides the following services: public safety, streets, sanitation, and general administrative services. In addition, the City operates a water and sewer system.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The most significant of the City’s accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

The component unit column included on the government-wide financial statements identifies the financial data of the City’s discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

The City’s only component unit is the Downtown Development Authority of Metter (the Authority). The primary purpose of the Authority is to promote industry and trade in the downtown area. The City provides its primary funding. There are no separate financial statements prepared for the Authority and there were no financial transactions for the Authority for the year ended June 30, 2022.

Candler County Industrial Development Authority, Candler County Recreation Commission, Metter-Candler County Airport Authority, and Metter Housing Authority are related organizations in that the City appoints all or some of the members of the authorities/commission but does not have financial responsibility for them.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes, grants, and the City's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements – During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

Major individual governmental funds are reported in separate columns.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting – The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

Governmental Funds – Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City’s major governmental funds:

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund’s fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

Regional Drug Task Force Fund – This special revenue fund accounts for the activity of the Southeastern Regional Drug Task Force based in Metter.

American Rescue Plan Act Fund – This fund accounts for all Local Fiscal Recovery funds received by the County through the American Rescue Plan Act of 2021.

2018 SPLOST Fund – This capital projects fund accounts for the special purpose local option sales tax received from Candler County to be used for various capital improvements.

T-SPLOST Fund – This capital projects fund accounts for the regional transportation special purpose local option sales tax proceeds received for transportation purposes within the City.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds and internal service funds. The City has two enterprise funds. The City accounts for its water and sewer operations in the water and sewer fund and solid waste collection and disposal in the sanitation fund.

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses, including depreciation.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis in accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-E. Assets, Liabilities and Net Position

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due from/to other funds". These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is nonspendable, as this amount is not available for general appropriation.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. Capital assets utilized by the proprietary fund are reported in the business-type activities column of the government-wide statement of net position and in the proprietary fund’s statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City’s infrastructure consists of street, bridges, and water and sewer lines. Infrastructure acquired after 1971 has been capitalized by the City. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

All reported capital assets are depreciated except for land, right-of-ways, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Business-Type Activities
	Estimated Lives	Estimated Lives
Buildings and improvements	15-50 years	15-30 years
Land improvements	15-20 years	-
Machinery and equipment	5-15 years	5-10 years
Infrastructure	15-40 years	-
Water and sewer system	-	5-40 years

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absence liability is reported on the government-wide financial statements. The proprietary fund reports the total compensated liability at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “*when due*”.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Capital leases are recognized as a liability in the governmental fund financial statements when due.

Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are amortized over the life of the bonds using the effective interest method and bond issuance costs are expensed in the current period.

At government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any deferred outflows of resources as of June 30, 2022.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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”.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund 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. 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 Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City Council's intent to be used for specific purposes, but are neither restricted nor committed. The City Council has by resolution authorized the City Manager to assign fund balance.

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:

- Committed
- Assigned
- Unassigned

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

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the City, these revenues are charges for water and sewer services and sanitation services. Operating expenses are necessary costs incurred to provide the water and sewer services and sanitation services and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the nonoperating revenues/expenses section in proprietary funds. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Implementation of GASB 87

The City has implemented GASB Statement 87, “Leases.” The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The City of Metter, Georgia had no lease receivables, lease liabilities, or right-to-use leased assets to report at June 30, 2022.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City adopts an annual operating budget for the general fund and each special revenue fund. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The City Manager may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires approval of the City Council. During the year, the City Council approved budget revisions.

All unexpended annual appropriations lapse at year-end.

Excess of Expenditures over Appropriations

Expenditures exceeded appropriations in the Regional drug task force special revenue fund by \$21,242 and these over expenditures were funded by additional revenues over amounts budgeted.

Expenditures exceeded appropriations for Tourism for the Hotel/Motel tax special revenue fund by \$12,331 and these over expenditures were funded by transfers in and available fund balance.

NOTE 3 – CASH DEPOSITS WITH BANKS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk.

At June 30, 2022, the carrying amount of the City's deposits (checking and certificates of deposit) was \$6,899,805 and the bank balance was \$6,992,075. Of the bank balance, \$1,186,365 was covered by federal depository insurance, and \$5,805,710 was collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

CITY OF METTER, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 – RECEIVABLES

Receivables at June 30, 2022, consisted primarily of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. The allowances for uncollectibles netted against receivables at June 30, 2022 consisted of \$14,952 for the general fund, \$16,531 for the sanitation fund and \$30,855 for the water and sewer system fund.

NOTE 5 – PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20th of each year and are payable within sixty days. The County bills and collects property taxes for the City. Property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For the year ended June 30, 2022, property taxes were levied on October 29, 2021, and were due on January 7, 2022.

NOTE 6 - INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
American Rescue Plan Act Fund	Water and Sewer System Fund	\$ 11,842
	Sanitation Fund	11,303
General Fund	American Rescue Plan Act Fund	23,145
	Hotel Motel Fund	4,919
	Regional Drug Task Force Fund	15,928
	2018 SPLOST Fund	36,926
Sanitation Fund	General Fund	29,720
	Water and Sewer System Fund	62,394
TSPLOST Fund	General Fund	112
Water and Sewer System Fund	General Fund	140,565
		<u>\$ 336,854</u>

Interfund balances at June 30, 2022 represent charges for services or reimbursable expenses. The City expects to repay all interfund balances within one year.

Interfund transfers for the year ended June 30, 2022 consisted of \$25,534 in transfers to the water and sewer system fund from the 2018 SPLOST fund for capital projects, \$12,211 in transfers to the hotel/motel tax fund from the general fund for operations, \$55,000 in transfers to the general fund from the sanitation fund for indirect cost allocation and \$166,416 in transfers to the general fund from the water and sewer system fund for indirect cost allocation. The regional drug task force special revenue fund transferred \$43,735 to the general fund for personnel expenditures. The American Rescue Plan Act special revenue fund transferred \$129,872 to the water and sewer system fund for utility customer account credits and personnel expenditures and \$47,878 to the sanitation fund for utility customer account credits and personnel expenditures.

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 – CAPITAL ASSETS

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

	Balance 7/1/2021	Additions	Deductions	Balance 6/30/2022
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 525,603	-	-	\$ 525,603
Construction in progress	502,111	\$ 528,668	\$ 471,428	559,351
Total capital assets not being depreciated	<u>1,027,714</u>	<u>528,668</u>	<u>471,428</u>	<u>1,084,954</u>
Other capital assets being depreciated:				
Buildings and improvements	13,378,672	423,784	-	13,802,456
Land improvements	265,450	-	-	265,450
Machinery and equipment	3,882,852	238,220	79,571	4,041,501
Infrastructure	13,045,936	371,235	-	13,417,171
Total capital assets being depreciated	<u>30,572,910</u>	<u>1,033,239</u>	<u>79,571</u>	<u>31,526,578</u>
Total capital assets	<u>31,600,624</u>	<u>1,561,907</u>	<u>550,999</u>	<u>32,611,532</u>
Accumulated depreciation:				
Buildings and improvements	2,861,457	338,356	-	3,199,813
Land improvements	188,714	13,190	-	201,904
Machinery and equipment	2,717,395	299,251	40,227	2,976,419
Infrastructure	8,273,429	308,418	-	8,581,847
Total accumulated depreciation	<u>14,040,995</u>	<u>959,215</u>	<u>40,227</u>	<u>14,959,983</u>
Governmental activities capital assets, net	<u>\$ 17,559,629</u>	<u>\$ 602,692</u>	<u>\$ 510,772</u>	<u>\$ 17,651,549</u>

Governmental activities depreciation expense:

General government	\$ 306,115
Public safety	271,914
Public works	352,565
Health and welfare	2,142
Culture and recreation	19,385
Housing and development	<u>7,094</u>
Total governmental activities depreciation expense	<u>\$ 959,215</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 – CAPITAL ASSETS (Continued)

The following table presents the changes in capital assets for the City’s enterprise funds:

	Balance 7/1/2021	Additions	Deductions	Balance 6/30/2022
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 492,280	-	-	\$ 492,280
Construction in progress	20,532	\$ 120,305	\$ 6,505	134,332
Total capital assets not being depreciated	<u>512,812</u>	<u>120,305</u>	<u>6,505</u>	<u>626,612</u>
Other capital assets being depreciated:				
Water and sewer system	11,650,782	45,486	-	11,696,268
Buildings	237,024	83,350	-	320,374
Machinery and equipment	1,601,639	46,064	-	1,647,703
Total capital assets being depreciated	<u>13,489,445</u>	<u>174,900</u>	<u>-</u>	<u>13,664,345</u>
Total capital assets	<u>14,002,257</u>	<u>295,205</u>	<u>6,505</u>	<u>14,290,957</u>
Accumulated depreciation:				
Water and sewer system	5,736,332	245,177	-	5,981,509
Buildings	99,734	12,025	-	111,759
Machinery and equipment	1,216,700	87,255	-	1,303,955
Total accumulated depreciation	<u>7,052,766</u>	<u>344,457</u>	<u>-</u>	<u>7,397,223</u>
Business-type activities capital assets, net	<u>\$ 6,949,491</u>	<u>\$ (49,252)</u>	<u>\$ 6,505</u>	<u>\$ 6,893,734</u>

NOTE 8 – FUND BALANCES – GOVERNMENTAL FUNDS

As of June 30, 2022, fund balances are composed of the following:

	General Fund	Regional Drug Task Force	American Rescue Plan Act Fund	T-SPLOST Fund	2018 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	\$ 71,014	\$ 4,178	-	-	-	\$ 257	\$ 75,449
Restricted:							
Capital projects	-	-	-	-	\$ 1,378,415	323,013	1,701,428
Drug task force	-	1,015,831	-	-	-	-	1,015,831
Pandemic relief	-	-	\$ 282	-	-	-	282
Road projects	70,236	-	-	\$ 88,089	-	-	158,325
Tourism	54,179	-	-	-	-	600	54,779
Total restricted	<u>124,415</u>	<u>1,015,831</u>	<u>282</u>	<u>88,089</u>	<u>1,378,415</u>	<u>323,613</u>	<u>2,930,645</u>
Assigned:							
Fire department	12,012	-	-	-	-	-	12,012
Subsequent year's budget	443,302	-	-	-	-	-	443,302
Total assigned	<u>455,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,314</u>
Unassigned	1,504,001	-	-	-	-	-	1,504,001
Total fund balances	<u>\$ 2,154,744</u>	<u>\$ 1,020,009</u>	<u>\$ 282</u>	<u>\$ 88,089</u>	<u>\$ 1,378,415</u>	<u>\$ 323,870</u>	<u>\$ 4,965,409</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – NOTES PAYABLE

Certain financing arrangements previously known as capital leases are no longer classified as leases under the new definition of a lease under GASB Statement 87. These agreements are financed purchases because they result in the transfer of ownership of the asset, and they are therefore accounted for as notes payable.

Notes payable for governmental activities at June 30, 2022 consisted of the following:

	<u>Governmental Activities</u>
\$318,400 Note payable to the U.S. Department of Agriculture for the financing of a fire truck, payable in annual installments of \$51,107 including interest at 3.00% through November 14, 2026.	\$ 235,064
\$199,500 Note payable to the U.S. Department of Agriculture for the financing of public safety radios, payable in annual installments of \$43,563 including interest at 3.00% through December 23, 2024.	123,216
\$105,716 Note payable to Truist for the financing of public safety vehicles, payable in annual installments of \$23,633 including interest at 3.83% through August 8, 2024	65,797
\$42,169 Note payable to Lease One Magnolia for the financing of a public safety vehicle, payable in annual installments of \$9,548 including interest at 4.28% through October 20, 2024	26,354
\$55,638 Note payable to Lease One Magnolia for the financing of a public safety vehicle, payable in annual installments of \$12,222 including interest at 3.21% through February 1, 2026	45,202
\$71,650 Note payable to Lease One Magnolia for the financing of public works equipment, payable in annual installments of \$15,739 including interest at 3.21% through July 20, 2026	71,650
\$59,375 Note payable to Lease One Magnolia for the financing of public works equipment, payable in annual installments of \$13,132 including interest at 3.45% through March 20, 2027	59,375
\$39,003 Note payable to Lease One Magnolia for the financing of a public works vehicle, payable in annual installments of \$8,537 including interest at 3.08% through May 20, 2027	39,003
\$100,499 Note payable to Lease One Magnolia for the financing of public safety vehicles, payable in annual installments of \$21,995 including interest at 3.08% through March 20, 2027	100,499
	<u>\$ 766,160</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - NOTES PAYABLE (Continued)

Notes payable for business-type activities at June 30, 2022 consisted of the following:

	<u>Business-Type Activities</u>
GEFA (2013-L20WQ), payable in monthly installments of \$4,985 including interest at 2.40% through February 1, 2036	\$ 696,371
GEFA (2020020), payable in monthly installments of \$2,527 including interest at 0.21% through May 1, 2026	118,262
GEFA (CW2021033), interest payable monthly at 0.86% while in the construction phase. The City is approved to borrow up to \$1,130,000. Monthly installments will be payable for 360 months once construction is completed and the amortization commencement date is established.	53,109
\$31,474 Note payable to Lease One Magnolia for the financing of water and sewer system vehicle, payable in annual installments of \$11,342 including interest at 4.00% through April 1, 2023	10,905
\$59,409 Note payable to Lease One Magnolia for the financing of water and sewer system equipment, payable in annual installments of \$13,051 including interest at 3.21% through October 20, 2025	48,265
\$63,995 Note payable to Lease One Magnolia for the financing of water and sewer system equipment, payable in annual installments of \$11,961 including interest at 3.38% through July 20, 2027	63,995
\$40,117 Note payable to Lease One Magnolia for the financing of a water and sewer system vehicle, payable in annual installments of \$8,779 including interest at 3.08% through May 20, 2027	40,117
\$146,955 Note payable to Lease One Magnolia for the financing of sanitation equipment, payable in annual installments of \$32,496 including interest at 3.44% through February 1, 2025	91,129
\$27,660 Note payable to Lease One Magnolia for the financing of a sanitation vehicle, payable in annual installments of \$9,937 including interest at 3.84% through April 1, 2023	9,570
	<u>\$ 1,131,723</u>

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - NOTES PAYABLE (Continued)

Annual debt service requirements to amortize all notes payable outstanding at June 30, 2022 are as follows:

Year	Governmental Activities			Business - Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 174,981	\$ 24,494	\$ 199,475	\$ 152,366	\$ 25,795	178,161
2024	180,636	18,839	199,475	134,954	21,928	156,882
2025	186,468	13,000	199,468	191,197	18,793	209,990
2026	115,761	6,969	122,730	106,326	15,076	121,402
2027	108,314	3,361	111,675	67,681	12,879	80,560
2028-2032	-	-	-	269,445	41,600	311,045
2033-2036	-	-	-	209,754	9,574	219,328
Total	<u>\$ 766,160</u>	<u>\$ 66,663</u>	<u>\$ 832,823</u>	<u>\$ 1,131,723</u>	<u>\$ 145,645</u>	<u>\$ 1,277,368</u>

NOTE 10 – CHANGES IN LONG-TERM DEBT

	Balance July 1, 2021, As Restated	Additions	Reductions	Balance June 30, 2022	Amounts Due in One Year
Governmental Activities					
Notes Payable	\$ 687,634	\$ 198,877	\$ 120,351	\$ 766,160	\$ 174,981
Compensated absences	75,594	6,494	-	82,088	16,418
Total Governmental Activities	<u>\$ 763,228</u>	<u>\$ 205,371</u>	<u>\$ 120,351</u>	<u>\$ 848,248</u>	<u>\$ 191,399</u>
Business-Type Activities					
Notes Payable	\$ 1,206,600	\$ 93,226	\$ 168,103	\$ 1,131,723	\$ 152,366
Compensated absences	25,226	4,137	-	29,363	5,873
Total Business-Type Activities	<u>\$ 1,231,826</u>	<u>\$ 97,363</u>	<u>\$ 168,103</u>	<u>\$ 1,161,086</u>	<u>\$ 158,239</u>

The principal and interest payments related to notes payable for governmental funds will be paid from the General Fund and SPLOST Funds. The compensated absences liability for governmental funds will be paid from the General Fund and for business-type activities from the Water and Sewer System Fund and Sanitation Fund. The principal and interest payments related to notes payable for the City's Water and Sewer fund and Sanitation Fund are financed from income derived from the operation of the Water and Sewer Fund and Sanitation Fund.

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLAN

The City of Metter Retirement Plan is a defined contribution plan which was adopted by resolution of the City Council and was effective January 1, 1994 to provide retirement benefit to plan members. The plan is administered by the City of Metter. The 2021 calendar year covered payroll was \$1,944,369 and the total 2021 calendar year payroll was \$2,034,281. The plan is open to all full-time employees with more than one year of service.

Employees are 100% vested in the City contribution after five years of service. The contribution for the year ended June 30, 2022 to the City funded plan was \$99,786 which is 5.13% of the 2021 calendar year covered payroll. Employees do not contribute to this plan and the City does not have a required contribution. Contributions are established by the City Council on an annual basis.

NOTE 12 – CONTINGENT LIABILITIES

As of June 30, 2022, there was no pending litigation that would have a material effect on the financial statements.

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers' compensation claims; and natural disasters. The City carries commercial insurance to cover these risks. The City joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by the City's management based on the anticipated needs. The City is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the City in defense and settlement of claims. GIRMA's basis for establishing the liabilities for unpaid claims is "IBNR" established by an actuary. The City has not compiled a record of claims paid up to the applicable deductible for the prior year or the current fiscal year. The City is unaware of any claims for which the City is liable (up to the applicable deductible) which were outstanding and unpaid at June 30, 2022. No provisions have been made in the financial statements for the year ended June 30, 2022 for any estimate of potential unpaid claims.

The City has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (the Fund). As a participant in the Fund, the City has no legal obligation to pay its own workers' compensation claims. The City is required to make an annual contribution to the Fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the City's annual contribution, the City has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the Fund permits the Fund to levy an assessment upon its members to make up any deficiency the Fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

CITY OF METTER, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 14 – JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the middle Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During the year ended June 30, 2022, the City paid \$4,130 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes representatives from each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission
5405 Oak Street
Eastman, Georgia 31023

NOTE 15 – HOTEL/MOTEL LODGING TAX

The City levies a 7% lodging tax. A summary of the transactions for the year ended June 30, 2022 follows:

Lodging tax receipts	\$ 71,742
Expenditures	<u>(71,742)</u>
	<u>\$ -</u>

All expenditures were for promotion of tourism as required by OCGA 48-13-51.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 26, 2023, the date the financial statements were available for issue. No subsequent events requiring disclosure in the financial statements were noted.

CITY OF METTER, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS

	JUNE 30, 2022	JUNE 30, 2021
ASSETS		
Cash and cash equivalents	\$ 1,945,887	\$ 1,299,969
Certificates of deposit	205,656	205,782
Receivables:		
Taxes	101,685	107,249
Accounts	18,401	9,095
Intergovernmental	107,984	130,510
Other	-	71,650
Interfund	80,918	21,808
Prepaid items	71,014	76,045
TOTAL ASSETS	\$ 2,531,545	\$ 1,922,108
LIABILITIES		
Accounts payable	\$ 87,553	\$ 99,825
Accrued liabilities	-	7,445
Unearned revenue	3,700	1,775
Due to other funds	170,397	115,121
Other	36,473	28,185
Total liabilities	298,123	252,351
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	78,678	70,009
FUND BALANCE		
Nonspendable	71,014	76,045
Restricted	124,415	110,451
Assigned	455,314	279,834
Unassigned	1,504,001	1,133,418
Total fund balance	2,154,744	1,599,748
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 2,531,545	\$ 1,922,108

CITY OF METTER, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
REVENUES		
Taxes:		
Property	\$ 997,643	\$ 1,050,460
Motor vehicle	144,038	127,208
Sales	879,443	759,213
Franchise	292,929	293,367
Insurance premium	337,902	327,269
Alcoholic beverage	105,416	111,008
Other	36,569	37,421
Licenses and permits	90,609	88,292
Charges for services	175,104	133,726
Intergovernmental	549,707	711,462
Fines and forfeitures	284,138	250,165
Interest	2,883	3,341
Miscellaneous	44,711	44,438
Total revenues	3,941,092	3,937,370
EXPENDITURES		
Current:		
General government	752,241	719,926
Judicial	21,314	21,407
Public safety	1,854,381	1,980,746
Public works	780,855	870,233
Health and welfare	22,825	17,120
Culture and recreation	48,176	47,624
Housing and development	345,899	310,437
Debt service		
Principal	10,436	42,927
Interest	1,786	9,182
Total expenditures	3,837,913	4,019,602
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	103,179	(82,232)
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	-	13,780
Proceeds from notes payable	198,877	127,288
Transfers in	265,151	239,355
Transfers out	(12,211)	(919)
Total other financing sources (uses)	451,817	379,504
NET CHANGE IN FUND BALANCE	554,996	297,272
FUND BALANCE, BEGINNING OF YEAR	1,599,748	1,302,476
FUND BALANCE, END OF YEAR	\$ 2,154,744	\$ 1,599,748

CITY OF METTER, GEORGIA
REGIONAL DRUG TASK FORCE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	JUNE 30, 2022	JUNE 30, 2021
ASSETS		
Cash and cash equivalents	\$ 1,018,364	\$ 944,186
Intergovernmental receivable	116,443	96,596
Prepaid insurance	4,178	7,173
 TOTAL ASSETS	 \$ 1,138,985	 \$ 1,047,955

L I A B I L I T I E S A N D
F U N D B A L A N C E

LIABILITIES		
Accounts payable	\$ 67,780	\$ 64,755
Due to general fund	15,928	17,239
Other	35,268	23,512
 TOTAL LIABILITIES	 118,976	 105,506
 FUND BALANCE		
Nonspendable	4,178	7,173
Restricted	1,015,831	935,276
Total fund balance	1,020,009	942,449
 TOTAL LIABILITIES AND FUND BALANCE	 \$ 1,138,985	 \$ 1,047,955

CITY OF METTER, GEORGIA
REGIONAL DRUG TASK FORCE SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
REVENUES		
Intergovernmental	\$ 411,391	\$ 349,509
Fines and forfeitures	88,756	37,019
Total revenues	<u>500,147</u>	<u>386,528</u>
EXPENDITURES		
Public safety	<u>378,852</u>	<u>441,439</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	121,295	(54,911)
OTHER FINANCING SOURCES (USES)		
Transfers out	<u>(43,735)</u>	<u>(17,939)</u>
NET CHANGE IN FUND BALANCE	77,560	(72,850)
FUND BALANCE, BEGINNING OF YEAR	<u>942,449</u>	<u>1,015,299</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 1,020,009</u></u>	<u><u>\$ 942,449</u></u>

CITY OF METTER, GEORGIA
T-SPLOST CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	JUNE 30, 2022	JUNE 30, 2021
ASSETS		
Cash and cash equivalents	\$ 107,212	\$ 30,714
Intergovernmental receivable	10,566	5,160
Due from general fund	112	112
TOTAL ASSETS	\$ 117,890	\$ 35,986

L I A B I L I T I E S A N D
F U N D B A L A N C E

LIABILITIES		
Accounts payable	\$ 29,801	\$ 1,550
FUND BALANCE - Restricted	88,089	34,436
TOTAL LIABILITIES AND FUND BALANCE	\$ 117,890	\$ 35,986

CITY OF METTER, GEORGIA
T-SPLOST CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
REVENUES		
Intergovernmental	\$ 460,464	\$ 370,211
Interest	26	36
Total revenues	460,490	370,247
EXPENDITURES		
Capital outlay:		
Public works	406,837	369,691
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	53,653	556
FUND BALANCE, BEGINNING OF YEAR	34,436	33,880
FUND BALANCE, END OF YEAR	\$ 88,089	\$ 34,436

CITY OF METTER, GEORGIA
2018 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	<u>JUNE 30,</u> <u>2022</u>	<u>JUNE 30,</u> <u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 1,334,870	\$ 912,193
Receivables:		
Intergovernmental	104,330	90,888
Interfund	<u>-</u>	<u>3,104</u>
 TOTAL ASSETS	 <u>\$ 1,439,200</u>	 <u>\$ 1,006,185</u>

L I A B I L I T I E S A N D
F U N D B A L A N C E

LIABILITIES		
Accounts payable	\$ 23,859	-
Due to other funds	<u>36,926</u>	<u>\$ 306</u>
 TOTAL LIABILITIES	 60,785	 306
 FUND BALANCE - Restricted	 <u>1,378,415</u>	 <u>1,005,879</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 1,439,200</u>	 <u>\$ 1,006,185</u>

CITY OF METTER, GEORGIA
2018 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
REVENUES		
Intergovernmental	\$ 574,011	\$ 495,610
Interest	1,110	744
Total revenues	<u>575,121</u>	<u>496,354</u>
EXPENDITURES		
Capital outlay:		
Public works	45,345	47,851
Housing and development	3,855	18,683
Debt service:		
Principal	109,915	62,511
Interest	17,936	13,231
Total expenditures	<u>177,051</u>	<u>142,276</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>398,070</u>	<u>354,078</u>
OTHER FINANCING SOURCES (USES)		
Transfers out	(25,534)	(19,500)
Total other financing sources (uses)	<u>(25,534)</u>	<u>(19,500)</u>
NET CHANGE IN FUND BALANCE	372,536	334,578
FUND BALANCE, BEGINNING OF YEAR	<u>1,005,879</u>	<u>671,301</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 1,378,415</u></u>	<u><u>\$ 1,005,879</u></u>

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

	2005 SPLOST Capital Projects Fund	Hotel/Motel Tax Special Revenue Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 343,919	\$ 18,300	\$ 362,219
Taxes receivable	-	6,177	6,177
Prepaid items	-	257	257
TOTAL ASSETS	\$ 343,919	\$ 24,734	\$ 368,653
LIABILITIES			
Accounts payable	\$ 20,906	\$ 18,958	\$ 39,864
Due to other funds	-	4,919	4,919
Total liabilities	20,906	23,877	44,783
FUND BALANCE			
Nonspendable	-	257	257
Restricted	323,013	600	323,613
Total fund balance	323,013	857	323,870
TOTAL LIABILITIES AND FUND BALANCE	\$ 343,919	\$ 24,734	\$ 368,653

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

	2005 SPLOST Capital Projects Fund	Hotel/Motel Tax Special Revenue Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	-	\$ 71,742	\$ 71,742
Interest	\$ 205	8	213
Miscellaneous	-	21,892	21,892
Total revenues	<u>205</u>	<u>93,642</u>	<u>93,847</u>
EXPENDITURES			
Current:			
Housing and development	-	107,676	107,676
Capital outlay:			
Public safety	112,553	-	112,553
Total expenditures	<u>112,553</u>	<u>107,676</u>	<u>220,229</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(112,348)	(14,034)	(126,382)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	12,211	12,211
NET CHANGE IN FUND BALANCE	(112,348)	(1,823)	(114,171)
FUND BALANCE, JULY 1, 2021	<u>435,361</u>	<u>2,680</u>	<u>438,041</u>
FUND BALANCE, JUNE 30, 2022	<u>\$ 323,013</u>	<u>\$ 857</u>	<u>\$ 323,870</u>

CITY OF METTER, GEORGIA
2005 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	<u>JUNE 30,</u> <u>2022</u>	<u>JUNE 30,</u> <u>2021</u>
ASSETS		
Cash and cash equivalents	\$ 343,919	\$ 438,465
TOTAL ASSETS	<u>\$ 343,919</u>	<u>\$ 438,465</u>

L I A B I L I T I E S A N D
F U N D B A L A N C E

LIABILITIES		
Accounts payable	\$ 20,906	-
Due to other funds	-	\$ 3,104
FUND BALANCE - Restricted	<u>323,013</u>	<u>435,361</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 343,919</u>	<u>\$ 438,465</u>

CITY OF METTER, GEORGIA
2005 SPLOST CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
REVENUES		
Interest	\$ 205	\$ 229
EXPENDITURES		
Capital outlay:		
Public safety	112,553	19,750
NET CHANGE IN FUND BALANCE	(112,348)	(19,521)
FUND BALANCE, BEGINNING OF YEAR	435,361	454,882
FUND BALANCE, END OF YEAR	\$ 323,013	\$ 435,361

CITY OF METTER, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS

A S S E T S

	JUNE 30, 2022	JUNE 30, 2021
ASSETS		
Cash and cash equivalents	\$ 18,300	\$ 14,138
Receivables:		
Taxes	6,177	6,677
Prepaid items	257	398
TOTAL ASSETS	\$ 24,734	\$ 21,213

L I A B I L I T I E S A N D
F U N D B A L A N C E

LIABILITIES		
Accounts payable	\$ 18,958	\$ 13,624
Accrued liabilities	-	646
Due to other funds	4,919	4,263
TOTAL LIABILITIES	23,877	18,533
FUND BALANCE		
Nonspendable	257	398
Restricted	600	2,282
Total fund balance	857	2,680
TOTAL LIABILITIES AND FUND BALANCE	\$ 24,734	\$ 21,213

CITY OF METTER, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOTEL/MOTEL TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2021 Actual
REVENUES					
Hotel/Motel tax	\$ 70,000	\$ 71,148	\$ 71,742	\$ 594	\$ 63,148
Intergovernmental	-	-	-	-	2,000
Interest	-	-	8	8	8
Miscellaneous	9,000	24,197	21,892	(2,305)	9,901
Total revenues	<u>79,000</u>	<u>95,345</u>	<u>93,642</u>	<u>(1,703)</u>	<u>75,057</u>
EXPENDITURES					
Current:					
Housing and development					
Tourism	79,000	95,345	107,676	(12,331)	101,954
Total expenditures	<u>79,000</u>	<u>95,345</u>	<u>107,676</u>	<u>(12,331)</u>	<u>101,954</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(14,034)	(14,034)	(26,897)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	12,211	12,211	919
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	(1,823)	<u>\$ (1,823)</u>	<u>(25,978)</u>
FUND BALANCE, JULY 1, 2021			<u>2,680</u>		
FUND BALANCE, JUNE 30, 2022			<u>\$ 857</u>		

CITY OF METTER, GEORGIA
WATER AND SEWER SYSTEM FUND
COMPARATIVE STATEMENT OF NET POSITION

	June 30, 2022	June 30, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,220,456	\$ 1,035,519
Certificates of deposit	67,099	66,406
Accounts receivable	126,786	124,293
Interfund receivable	140,565	82,230
Prepaid insurance	17,882	18,190
Total Current Assets	1,572,788	1,326,638
Capital Assets		
Land	492,280	492,280
Construction in progress	134,332	20,532
Water and sewer system	11,696,268	11,650,782
Buildings	284,781	216,431
Machinery and equipment	1,242,009	1,195,945
Less accumulated depreciation	(7,079,039)	(6,770,961)
Total Capital Assets	6,770,631	6,805,009
Total Assets	8,343,419	8,131,647
LIABILITIES		
Current Liabilities		
Accounts payable	55,565	41,511
Accrued liabilities	-	3,784
Customer deposits	109,555	102,839
Compensated absences	3,157	2,735
Notes payable	113,435	130,503
Interfund payable	74,236	26,051
Total Current Liabilities	355,948	307,423
Long-Term Liabilities		
Compensated absences (net of current portion)	12,628	10,938
Notes payable (net of current portion)	917,589	937,798
Total Long-Term Liabilities	930,217	948,736
Total Liabilities	1,286,165	1,256,159
NET POSITION		
Net investment in capital assets	5,739,607	5,736,708
Unrestricted	1,317,647	1,138,780
Total Net Position	\$ 7,057,254	\$ 6,875,488

CITY OF METTER, GEORGIA
WATER AND SEWER SYSTEM FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
OPERATING REVENUES		
Charges for services	\$ 1,341,770	\$ 1,448,485
Penalties	28,142	33,749
Other	75,363	78,336
Total operating revenues	<u>1,445,275</u>	<u>1,560,570</u>
OPERATING EXPENSES		
Salaries	271,110	240,839
Employee benefits	92,749	84,142
Professional and technical services	36,895	48,037
Purchased services	337,450	347,060
Materials and supplies	96,856	65,469
Depreciation	308,078	282,092
Other	129,436	1,470
Total operating expenses	<u>1,272,574</u>	<u>1,069,109</u>
OPERATING INCOME	<u>172,701</u>	<u>491,461</u>
NON-OPERATING REVENUE (EXPENSE)		
Interest income	1,223	592
Gain on sale of capital assets	-	4,800
Interest expense	(21,117)	(11,923)
Total non-operating revenue (expense)	<u>(19,894)</u>	<u>(6,531)</u>
INCOME BEFORE TRANSFERS	152,807	484,930
Capital grants	39,969	-
Transfers in	155,406	19,500
Transfers out	<u>(166,416)</u>	<u>(166,416)</u>
CHANGE IN NET POSITION	181,766	338,014
NET POSITION, BEGINNING OF YEAR	<u>6,875,488</u>	<u>6,537,474</u>
NET POSITION, END OF YEAR	<u>\$ 7,057,254</u>	<u>\$ 6,875,488</u>

CITY OF METTER, GEORGIA
SANITATION FUND
COMPARATIVE STATEMENT OF NET POSITION

	June 30, 2022	June 30, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 333,976	\$ 215,322
Accounts receivable	66,122	63,464
Interfund receivable	92,114	58,830
Prepaid insurance	10,584	10,516
Total Current Assets	<u>502,796</u>	<u>348,132</u>
Capital Assets		
Buildings	35,593	20,593
Machinery and equipment	405,694	405,694
Less accumulated depreciation	<u>(318,184)</u>	<u>(281,805)</u>
Total Capital Assets	<u>123,103</u>	<u>144,482</u>
Total Assets	<u>625,899</u>	<u>492,614</u>
LIABILITIES		
Current Liabilities		
Accounts payable	9,478	9,540
Accrued liabilities	-	2,917
Compensated absences	2,716	2,311
Notes payable	38,931	37,600
Interfund payable	11,303	-
Total Current Liabilities	<u>62,428</u>	<u>52,368</u>
Long-Term Liabilities		
Compensated absences (net of current portion)	10,862	9,242
Notes payable (net of current portion)	61,768	100,699
Total Long-Term Liabilities	<u>72,630</u>	<u>109,941</u>
Total Liabilities	<u>135,058</u>	<u>162,309</u>
NET POSITION		
Net investment in capital assets	22,404	6,183
Unrestricted	468,437	324,122
Total Net Position	<u>\$ 490,841</u>	<u>\$ 330,305</u>

CITY OF METTER, GEORGIA
SANITATION FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION

	YEAR ENDED	
	JUNE 30, 2022	JUNE 30, 2021
OPERATING REVENUES		
Charges for services	\$ 636,261	\$ 591,849
Penalties	13,039	13,505
Other	-	338
Total operating revenues	<u>649,300</u>	<u>605,692</u>
OPERATING EXPENSES		
Salaries	202,743	207,428
Employee benefits	89,053	93,477
Purchased services	91,873	93,961
Materials and supplies	19,827	14,919
Depreciation	36,379	61,305
Other costs	37,239	-
Total operating expenses	<u>477,114</u>	<u>471,090</u>
OPERATING INCOME	<u>172,186</u>	<u>134,602</u>
NON-OPERATING REVENUE (EXPENSE)		
Interest income	305	176
Gain on sale of capital assets	-	8,219
Interest expense	(4,833)	(6,117)
Total non-operating revenue (expense)	<u>(4,528)</u>	<u>2,278</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	167,658	136,880
Capital contributions	-	11,990
Transfers in	47,878	-
Transfers out	(55,000)	(55,000)
CHANGE IN NET POSITION	160,536	93,870
NET POSITION, BEGINNING OF YEAR	<u>330,305</u>	<u>236,435</u>
NET POSITION, END OF YEAR	<u>\$ 490,841</u>	<u>\$ 330,305</u>

CITY OF METTER, GEORGIA
SCHEDULE OF PROJECTS PAID WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2022

2005 SPLOST

	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Water system improvements	\$ 950,000	\$ 950,000	\$ 221,527	-	\$ 221,527	23%
Sewer system improvements	875,000	875,000	815,766	-	815,766	93%
Street and drainage improvements	630,000	630,000	619,337	-	619,337	98%
Public building projects	800,000	800,000	593,103	\$ 112,553	705,656	88%
Acquisition of new equipment	375,000	394,908	394,908	-	394,908	100%
Totals	<u>\$ 3,630,000</u>	<u>\$ 3,649,908</u>	<u>\$ 2,644,641</u>	<u>\$ 112,553</u>	<u>\$ 2,757,194</u>	<u>76%</u>

2018 SPLOST

	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Fire station construction	\$ 1,000,000	\$ 1,000,000	-	-	-	0%
Economic development projects	300,000	300,000	\$ 86,578	\$ 3,855	\$ 90,433	30%
Public utilities rehabilitation and expansion	490,000	490,000	80,500	25,534	106,034	22%
Drainage improvements	100,000	159,134	113,789	45,345	159,134	100%
Acquisition of vehicles and equipment	470,000	727,217	599,366	127,851	727,217	100%
Totals	<u>\$ 2,360,000</u>	<u>\$ 2,676,351</u>	<u>\$ 880,233</u>	<u>\$ 202,585</u>	<u>\$ 1,082,818</u>	<u>40%</u>

CITY OF METTER, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT
21p-x-021-2-6191
SOURCE AND APPLICATION OF FUNDS SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

TOTAL PROGRAM YEAR 2021 FUNDS ALLOCATED TO RECIPIENT	\$ 750,000
LESS: TOTAL PROGRAM YEAR 2021 FUNDS DRAWN BY RECIPIENT	<u>39,969</u>
FUNDS STILL AVAILABLE FROM PROGRAM YEAR 2021 RESOURCES	<u><u>\$ 710,031</u></u>
TOTAL PROGRAM YEAR 2021 FUNDS DRAWN AND RECEIVED BY RECIPIENT	\$ 39,969
LESS: FUNDS APPLIED AND EXPENDED ON PROGRAM YEAR 2021 COSTS	<u>39,969</u>
TOTAL PROGRAM YEAR 2021 FUNDS HELD BY RECIPIENT	<u><u>\$ -</u></u>

CITY OF METTER, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT
21p-x-021-2-6191
PROJECT COST SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

PROGRAM ACTIVITY	ACTIVITY NUMBER	APPROVED BUDGET CDBG FUNDS	CUMULATIVE EXPENDITURES CDBG FUNDS
Engineering - Water/Sewer Improvements	T-03J-00	\$ 57,945	\$ 23,094
Sewer Facilities	P-03J-02	610,000	-
Engineering - Street Improvements	T-03K-00	3,514	-
Flood/Drainage Facilities	P-03K-02	33,541	-
Administration	A-21A-00	45,000	16,875
Total		<u>\$ 750,000</u>	<u>\$ 39,969</u>

LANIER, DEAL, PROCTOR & BLOSER

WILLIAM RUSSELL LANIER, CPA
RICHARD N. DEAL, CPA, CGMA
KAY S. PROCTOR, CPA, CFE, CGMA
WILLIAM BLAKE BLOSER, CPA
TIFFANY D. JENKINS, CPA, CGMA
RICHARD N. DEAL II, CPA

CERTIFIED PUBLIC ACCOUNTANTS
201 SOUTH ZETTEROWER AVENUE
P.O. BOX 505
STATESBORO, GEORGIA 30459
PHONE (912) 489-8756
FAX (912) 489-1243

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
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PUBLIC ACCOUNTANTS

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*

Honorable Mayor and Council
City of Metter, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Metter, Georgia, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise City of Metter, Georgia's basic financial statements, and have issued our report thereon dated June 26, 2023.

Report On Internal Control Over Financial Reporting

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

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

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

Report On Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Metter, Georgia'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 determination of financial statement amounts. 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lanier, Deal, Proctor & Bloser

Statesboro, Georgia
June 26, 2023